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## **JIA SHENG HOLDINGS LIMITED**

**嘉盛控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 729)**

### **RULE 13.09 ANNOUNCEMENT LETTER OF INTENT IN RESPECT OF PROPOSED ACQUISITION, UNUSUAL PRICE MOVEMENTS AND RESUMPTION OF TRADING**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

On 23 December 2009, Qiyang, a wholly owned subsidiary of the Company, entered into a letter of intent with Mr. Zhong and Mr. Miao acting on behalf of themselves and the other Vendors, in relation to the proposed acquisition of the entire issued capital of the Target Company. The consideration for the Proposed Acquisition is expected to be not more than HK\$2,750,000,000 and may be payable by a combination of Shares and/or bonds convertible into Shares and/or cash, at a proposed price per Share of HK\$0.20. No change of control of the Company will occur as a result of the Proposed Acquisition.

The Board wishes to emphasize that no formal agreement in relation to the Proposed Acquisition has been entered into as at the date of this announcement. The letter of intent does not constitute legally binding commitments as to the Proposed Acquisition.

***As the Proposed Acquisition may or may not proceed, public investors and shareholders of the Company are urged to exercise caution when dealing in the Shares.***

The Proposed Acquisition may or may not proceed. The Proposed Acquisition if proceeded with will constitute a very substantial acquisition for the Company under the Listing Rules. The Company will comply with the applicable provisions of the Listing Rules in relation to such possible transaction.

At the request of the Company, trading in the Shares was suspended with effect from 2:30 p.m. on 21 December 2009 pending release of this announcement. Application has been made to the Stock Exchange for resumption of trading in the Shares with effect from 2:30 p.m. on 23 December 2009.

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

On 23 December 2009, Qiyang, which is a wholly-owned subsidiary of the Company incorporated in the British Virgin Islands, entered into a non-binding letter of intent with Mr. Zhong and Mr. Miao acting on behalf of themselves and the other Vendors, in relation to proposed acquisition of the entire issued capital of the Target Company.

### **Date of the Letter of Intent**

23 December 2009

### **Parties to the Letter of Intent**

(a) Qiyang;

(b) Mr. Zhong; and

(c) Mr. Miao.

Mr. Zhang and Mr. Miao entered into the letter of intent for themselves and on behalf of the other shareholders of the Target Company.

The Directors confirm, to the best of their knowledge, information and belief having made all reasonable enquiries, that the Vendors are Independent Third Parties.

### **Subject Matter**

100% interest in the Target Company

### **Summary of the Terms of the Letter of Intent**

#### *Consideration for Proposed Acquisition*

The consideration for the Proposed Acquisition is expected not to exceed HK\$2,750,000,000, and may be payable by a combination of Shares and/or bonds which are convertible into Shares and/or cash, at a proposed price per Share of HK\$0.20. Notwithstanding the issue of such Shares or convertible bonds, the Proposed Acquisition will not result in any change in control of the Company. The amount and the form of the consideration once agreed will be reflected in the formal sale and purchase agreement for the Proposed Acquisition.

#### *Agreements to be entered into by Thunder Sky (HK)*

The Target Company is a company incorporated in the British Virgin Islands, holding all the shares of Thunder Sky (HK), a company incorporated in Hong Kong. Thunder Sky (HK) will, prior to completion of the Proposed Acquisition, enter into a supply agreement with the PRC Operating Companies (which are ultimately controlled by Mr. Zhong and Mr. Miao) pursuant to which the PRC Operating Companies will manufacture and supply to Thunder Sky (HK) Electric Battery Products in accordance with the requirements of Thunder Sky (HK).

An Intellectual Property Rights Licence will be granted by Mr. Zhong and his associates to Thunder Sky (HK) in respect of the exclusive use of all the intellectual property rights which they own or are entitled to use and which are necessary for the production, marketing, distribution and sale of the Electric Battery Products and all improvements thereto during the validity period of such rights. The Intellectual Property Rights Licence will comprise a call option exercisable by Thunder Sky (HK) to purchase outright all of the intellectual property rights licensed thereunder.

### **Rationale for the Proposed Acquisition**

The Company is principally engaged in securities dealing and investment, provision of securities brokerage services and general trading.

The Directors have always been proactive in seeking opportunities for expanding and diversifying its business. It is the Group's business strategy to diversify into a new line of business with significant growth potential. The Board considers that the Proposed Acquisition will expand the Group's revenue streams and enhance shareholders' value.

Upon completion of the Proposed Acquisition, the Target Company will be accounted for as a subsidiary in the financial statements of the Company, and its financial information will be consolidated into the financial statements of the Company.

### **General**

The Board wishes to emphasize that no formal agreement in relation to the Proposed Acquisition has been entered into as at the date of this announcement. The letter of intent described in this announcement does not constitute legally binding commitments as to the Proposed Acquisition.

*As the Proposed Acquisition may or may not proceed, public investors and shareholders of the Company are urged to exercise caution when dealing in Shares.*

The Proposed Acquisition if proceeded with will constitute a very substantial acquisition for the Company under the Listing Rules. The Company will comply with the applicable provisions of the Listing Rules in relation to such transaction.

Further announcement(s) will be made by the Company if any formal sale and purchase agreement for the Proposed Acquisition is entered into.

### **Unusual Price Movements**

The following statement is made at the request of the Stock Exchange.

The Board has noted the increases in the price of the Shares on 21 December 2009 and wishes to state that the Board is not aware of any reasons for such increases.

Save for the Proposed Acquisition, the Board also confirms that there are no negotiations or agreements relating to intended acquisitions or realisations which are discloseable under Rule 13.23 of the Listing Rules, neither is the Board aware of any matter discloseable under the general obligation imposed by Rule 13.09 of the Listing Rules, which is or may be of a price-sensitive nature.

The above statement is made by the order of the Board, the Directors of which individually and jointly accept responsibility for the accuracy of the above statement.

### **Resumption of Trading**

At the request of the Company, trading in the Shares was suspended with effect from 2:30 p.m. on 21 December 2009 pending release of this announcement. Application has been made to the Stock Exchange for resumption of trading in the Shares with effect from 2:30 p.m. on 23 December 2009.

### **Definitions**

<b>“associate”</b>	As defined in the Listing Rules;
<b>“Board”</b>	The board of Directors of the Company;
<b>“Company”</b>	Jia Sheng Holdings Limited, a company incorporated in Bermuda;
<b>“Directors”</b>	Directors of the Company;
<b>“Electric Battery Products”</b>	Lithium and yttrium based batteries for use in vehicles;
<b>“Group”</b>	The Company and its subsidiaries;
<b>“Hong Kong”</b>	The Hong Kong Special Administrative Region of the PRC;
<b>“Independent Third Parties”</b>	Persons who are independent of and not connected nor acting in concert with the Directors, chief executive, management shareholders or substantial shareholders of the Company or its subsidiaries, or any of their respective associates;
<b>“Listing Rules”</b>	The Rules Governing the Listing of Securities on the Stock Exchange;
<b>“Mr. Miao”</b>	Mr. Miao Zhen Guo (苗振國);
<b>“Mr. Zhong”</b>	Mr. Zhong Xin Jia (鍾馨稼);
<b>“PRC”</b>	The People’s Republic of China;
<b>“PRC Operating Companies”</b>	深圳市雷天電動車動力總成有限公司 and 深圳市雷天電源技術有限公司, both companies were incorporated in the PRC;
<b>“Proposed Acquisition”</b>	The proposed acquisition by Qiyang of all the shares in the Target Company from the Vendors;
<b>“Qiyang”</b>	Qiyang Limited (啓洋有限公司), a wholly owned subsidiary of the Company incorporated in the British Virgin Islands;

“Shares”	Shares of HK\$0.01 each in the issued share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Company”	Union Grace Holdings Limited, a company incorporated in the British Virgin Islands which is owned by the Vendors;
“Thunder Sky (HK)”	Thunder Sky Energy Technology Limited (中聚雷天能源技術有限公司), a company incorporated in Hong Kong which is wholly owned by the Target Company; and
“Vendors”	The holders of all the issued and paid up shares of the Target Company, including Mr. Zhong and Mr. Miao.

By order of the Board of  
**Jia Sheng Holdings Limited**  
**Yip Chi Chiu**  
*Deputy Chairman and Chief Executive Officer*

Hong Kong, 23 December 2009

*As of the date of this announcement, the Board comprises Mr. Yip Chi Chiu (Deputy Chairman and Chief Executive Officer), Mr. Lo Wing Yat, and Mr. So George Siu Ming (Chief Operating Officer and Chief Financial Officer) as executive directors; Mr. Leung Chung Tak Barry and Mr. Wong Kwok Kuen as non-executive directors; and Mr. Chan Yuk Tong, Mr. Fei Tai Hung, and Mr. Tse Kam Fow as independent non-executive directors.*

*Website: <http://www.jiasheng.hk>*