

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



MERRY GARDEN HOLDINGS LIMITED

美麗家園控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1237)

POSITIVE PROFIT ALERT AND BUSINESS UPDATE — EXTENSION OF RELOCATION SCHEDULE

POSITIVE PROFIT ALERT

This announcement is made by Merry Garden Holdings Limited (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Reference is made to the announcement of the Company dated 8 March 2013 (“**Announcement**”) in relation to the Land Resumption Agreement entered between Zhangping Kimura and the Land Reserve Centre in relation to the Land Resumption. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

The board of Directors (the “**Board**”) would like to inform the shareholders of the Company and potential investors that a gain has been recognised by Zhangping Kimura for the year ended 31 December 2013 in relation to the consideration received from the Land Reserve Centre for the Land Resumption, and accordingly, it is expected that the net profit of the Company and its subsidiaries (collectively, the “**Group**”) for the year ended 31 December 2013, may record a significant increase as compared with the net profit for the corresponding period in 2012.

The information contained in this announcement is only a preliminary assessment by the Board based on information currently available to the Company and is not based on any figures or information that has been audited or reviewed by the Company’s auditors. The audited results announcement of the Group for the year ended 31 December 2013 is expected to be released before the end of March 2014.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

BUSINESS UPDATE — EXTENSION OF RELOCATION SCHEDULE

As disclosed in the Announcement, the Land Resumption is expected to complete on or before 31 December 2013, after the completion of the Relocation. The Board would like to inform the shareholders of the Company and potential investors, on a voluntary basis, that due to the delay in the dwelling and levelling works on the New Land, as of 31 December 2013, only the production facilities on Zone B of the Land were relocated to the New Land (the “**Relocated Facilities**”) while the other existing production facilities on Zone A remained on the Land. The Relocated Facilities, together with other additional production facilities of the Group on the New Land, have been in full operation since December 2013 and significantly increased the Group’s overall production capacity.

In December 2013, Zhangping Kimura has entered into an agreement with the new owner of the Land, pursuant to which the new owner has agreed to allow Zhangping Kimura to continue to use Zone A of the Land at a monthly rent of RMB2,000 for a period from 1 January 2014 to 30 June 2014.

The Directors expect that the Relocation will be completed by June 2014, and they expect that the Relocation will not cause any significant disruption of the Group’s operation and production.

By order of the board of
Merry Garden Holdings Limited
Wu Zheyuan
Chairman

Hong Kong, 22 January 2014

As at the date of this announcement, the executive Directors of the Company are Mr. Wu Zheyuan, Mr. Wu Qingshan and Ms. Xie Qingmei, the non-executive Director of the Company is Mr. Wu Dongping, and the independent non-executive Directors of the Company are Mr. Lam Hin Chi, Mr. Jin Zhongwei and Mr. Su Wenqiang.