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CHEUNG WO INTERNATIONAL HOLDINGS LIMITED

長和國際實業集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 00009)

ISSUE OF UNLISTED WARRANTS UNDER SPECIFIC MANDATE AND ADJUSTMENT TO SUBSCRIPTION PRICE OF THE EXISTING WARRANTS

Placing Agent



廣發證券(香港)經紀有限公司
GF SECURITIES (HONG KONG) BROKERAGE LIMITED

THE PLACING

On 27 May 2015 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company appointed the Placing Agent as its placing agent, on a best effort basis, to procure not less than six Placee(s) who will be Independent Third Parties to subscribe for up to 265,000,000 Warrants at the Issue Price of HK\$0.057 per Warrant conferring the rights to subscribe for up to an aggregate of 265,000,000 Warrant Shares at the Subscription Price (subject to adjustment) per Warrant Share.

The Company will issue 265,000,000 Warrant Shares, representing (i) approximately 17.69% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 15.03% of the issued share capital of the Company as enlarged by the issue and allotment of the Warrant Shares.

* For identification purpose only

It is expected that the maximum net proceeds from the Placing (after deducting the placing commission payable to the Placing Agent and other expenses incurred in the Placing and excluding any exercise of the subscription rights attached to the Warrants) will amount to approximately HK\$13.5 million (with a net issue price of approximately HK\$0.051 per Warrant). Assuming the full exercise of the subscription rights attached to the Warrants, it is expected that a further amount of approximately HK\$180.2 million will be raised (with a net subscription price of approximately HK\$0.68 per Warrant Share).

The Company intends to apply all or part of the net proceeds from the Placing as general working capital of the Company as well as for the repayment of interest expenses.

Completion of the Placing is subject to the satisfaction of certain conditions as described below, including but not limited to the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Warrant Shares. If any of these conditions are not fulfilled, the Placing will not proceed.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

SPECIFIC MANDATE TO ISSUE THE WARRANT SHARES

The Warrant Shares to be allotted and issued upon exercise of the subscription rights attaching to the Warrants will be allotted and issued pursuant to the Specific Mandate. The Company will seek the grant of the Specific Mandate from the Shareholders at the SGM. The SGM will be convened and held to consider and, if thought fit, pass the requisite resolution(s) to approve, among other things, the Placing Agreement and the transactions contemplated thereunder including the issue of the Warrants and the Specific Mandate for the allotment and issue of the Warrant Shares.

A circular containing further details of the Placing Agreement and the notice of SGM will be despatched to the Shareholders as soon as practicable.

The Placing may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

ADJUSTMENT TO SUBSCRIPTION PRICE OF THE EXISTING WARRANTS

As a result of the Placing, the Then Subscription Price of the Existing Warrants will be adjusted from HK\$0.70 per Share to HK\$0.66 per Share in accordance with the terms and conditions set out in the instrument of the Existing Warrants. The adjustment to the Then Subscription Price shall become effective on the date of issue of the Warrants. The adjustment was certified by a merchant bank appointed by the Company.

The Directors announced that on 27 May 2015 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent, details of which are described below.

PLACING OF THE WARRANTS

The Placing Agreement

Date: 27 May 2015

Parties:

- (i) The Company as the issuer
- (ii) GF Securities (Hong Kong) Brokerage Limited as the Placing Agent

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

The Placing Agent will charge the Company a placing commission equal to 1% of the Issue Price multiplied by the number of Warrants placed by the Placing Agent. The Placing commission was negotiated on arm's length basis between the Company and the Placing Agent and determined with reference to, among other things, the prevailing market rate of placing commission and the size and scale of the Placing. The Directors consider that the placing commission is fair and reasonable based on the current market conditions.

(1) *Number of Warrants and Issue Price*

The Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company appointed the Placing Agent as its placing agent to procure not less than six Placee(s) who will be Independent Third Parties to subscribe for up to 265,000,000 Warrants at the Issue Price of HK\$0.057 per Warrant conferring the rights to subscribe for up to an aggregate of 265,000,000 Warrant Shares at the Subscription Price (subject to adjustment) per Warrant Share.

(2) *Placees*

The Warrants shall be placed by the Placing Agent to not less than six Placees which will be professional or institutional investors, and who and whose ultimate beneficial owners are Independent Third Parties.

(3) *Conditions of the Placing*

Completion of the Placing Agreement is conditional upon:

- (a) the Stock Exchange granting listing of and permission to deal in the Warrant Shares, subject to conditions to which neither the Placing Agent nor the Company may reasonably object;
- (b) the compliance of any other requirements under the Listing Rules or otherwise of the Stock Exchange which requires compliance in relation to the Placing, the issue of the Warrants and the Warrant Shares;
- (c) the passing of resolution(s) by the shareholders of the Company approving the Placing Agreement and the transactions contemplated thereunder, including the issue of the Warrants and the grant of Specific Mandate for the allotment and issue of the Warrant Shares at the SGM;
- (d) the obtaining of all consents from any relevant persons which are necessary or desirable in connection with the Placing and the issue of the Warrants and the Warrant Shares (and, where such consents are given subject to conditions, such conditions are on terms as may be reasonably acceptable to the Placing Agent and the Company);
- (e) there shall not have occurred any breach of, or any event rendering untrue or inaccurate, any of the representations, warranties or undertakings of the Company which would have or have had a material adverse effect on the financial position of the Group (taken as a whole) or the Company and which is material in the context of the Placing; and
- (f) the Placing Agreement not having been terminated in accordance with terms therein.

If the foregoing provisions are not fulfilled or waived (save for conditions (a), (b), (c), (d) and (f) above which cannot be waived) on or prior to 31 July 2015 (or such later date as may be agreed between the Company and the Placing Agent), the Placing Agreement shall terminate and neither the Placing Agent nor the Company shall have any claim against the other for any costs or losses (save for any prior breaches of the Placing Agreement).

(4) Termination

The Placing Agent shall be entitled to terminate the Placing Agreement without liability by notice to the Company given prior to 8:00 a.m. on the date of Completion if:

- (a) there develops, occurs or comes into force:
 - (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a material adverse change in, or which may result in a material adverse change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the reasonable opinion of the Placing Agent would materially adversely affect the success of the Placing; or
 - (ii) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the reasonable opinion of the Placing Agent, would materially adversely affect the success of the Placing; or
 - (iii) any material adverse change in conditions of local, national or international securities markets occurs which in the reasonable opinion of the Placing Agent would materially and adversely affect the success of the Placing; or
 - (iv) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the reasonable opinion of the Placing Agent any such new law or change may materially and adversely affect the business or financial prospects of the Group and/or the success of the Placing; or
 - (v) a change or development occurs involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong or elsewhere and if in the reasonable opinion of the Placing Agent, any such change or development would materially adversely affect the success of the Placing; or
- (b) any material breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date hereof and prior to the date of Completion which if it had occurred or arisen before the date hereof would have rendered any of such representations

and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of the Placing Agreement, in each case, which is material in the context of the Placing; or

- (c) there is any material adverse change in the financial position of the Company which is material in the context of the Placing; or
- (d) the trading of the Shares on the Stock Exchange has been suspended for more than ten consecutive trading days save for temporary suspension in connection with the Placing and/or the Placing Agreement.

(5) *Completion of the Placing*

Completion of the Placing shall take place on the third Business Day following the fulfillment of all the conditions of the Placing (or such other date as agreed by the parties to the Placing Agreement in writing).

Terms of the Warrants

(1) *Number of Warrant Shares*

The Warrants confer the rights to subscribe for up to an aggregate of 265,000,000 Warrant Shares at the Subscription Price per Warrant Share (subject to adjustment)

For illustration purpose only and assuming full exercise of the subscription rights attaching to the Warrants, the Company will issue 265,000,000 Warrant Shares, representing (i) approximately 17.69% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 15.03% of the issued share capital of the Company as enlarged by the issue and allotment of the Warrant Shares. The aggregate nominal value of the Warrant Shares upon full exercise of the subscription rights attaching to the Warrants amounts to HK\$2,650,000.

(2) *Issue Price and Subscription Price of the Warrant Shares*

The Subscription Price is HK\$0.68 per Warrant Share, subject to adjustment upon the occurrence of any of the adjustment events during the Subscription Period.

The Subscription Price of HK\$0.68 per Warrant Share represents:

- (i) a discount of approximately 41.4% over the closing price of HK\$1.16 per Share as quoted on the Stock Exchange on the Last Trading Day;

- (ii) a discount of approximately 30.6% over the average closing price of HK\$0.98 per Share as quoted on the Stock Exchange for the five trading days of the Shares immediately prior to the Last Trading Day;
- (iii) a discount of approximately 29.2% over the average closing price of HK\$0.96 per Share as quoted on the Stock Exchange for the ten trading days of the Shares immediately prior to the Last Trading Day;
- (iv) a discount of approximately 16.0% over the average closing price of HK\$0.81 per Share as quoted on the Stock Exchange for last consecutive 30 trading days of the Shares immediately prior to the Last Trading Day; and
- (v) a premium of approximately 3.0% over the average closing price of HK\$0.66 per Share as quoted on the Stock Exchange for the last consecutive 90 trading days of the Shares immediately prior to the Last Trading Day.

The aggregate of the Issue Price and the Subscription Price of HK\$0.74 represents:

- (i) a discount of approximately 36.5% over the closing price of HK\$1.16 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 24.8% over the average closing price of HK\$0.98 per Share as quoted on the Stock Exchange for the five trading days of the Shares immediately prior to the Last Trading Day;
- (iii) a discount of approximately 23.2% over the average closing price of HK\$0.96 per Share as quoted on the Stock Exchange for the ten trading days of the Shares immediately prior to the Last Trading Day;
- (iv) a discount of approximately 9.0% over the average closing price of HK\$0.81 per Share as quoted on the Stock Exchange for last consecutive 30 trading days of the Shares immediately prior to the Last Trading Day; and
- (v) a premium of approximately 11.7% over the average closing price of HK\$0.66 per Share as quoted on the Stock Exchange for the last consecutive 90 trading days of the Shares immediately prior to the Last Trading Day.

The Board considers that both the Subscription Price and the aggregate of it with the Issue Price, taking into account the recent trading prices of the Shares and an exercise period of 12 months, which are determined after arm's length negotiations between the Company and the Placing Agent, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Assuming the full exercise of the subscription rights attaching to the Warrants at the Subscription Price, it is expected that approximately HK\$180.2 million will be raised.

(3) *The Warrant Instrument*

The Warrants will be issued to the holders of the Warrants upon Completion in registered form and constituted by way of deed poll to be executed by the Company. The Warrants will rank pari passu in all respects among themselves.

(4) *Ranking of the Warrant Shares*

The Warrant Shares to be allotted and issued upon the exercise of the subscription rights attaching to the Warrants will rank pari passu in all respects with the Shares in issue (except for any right the record date for which precedes such subscription date).

(5) *Subscription Period*

The subscription rights attaching to the Warrants may be exercised at any time during a period of 12 months commencing from the date of issue of the Warrants. Upon expiry of the Subscription Period, any Warrants which have not been exercised will lapse and cease to be valid for any purpose.

(6) *Adjustment to the Subscription Price*

The Subscription Price will be adjusted in accordance with the relevant provisions under the terms and conditions of the Warrant Instrument upon occurrence of, among other things, the following events:

- (i) an alteration of the nominal amount of the Shares by reason of any consolidation or subdivision;
- (ii) an issue (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund);
- (iii) a capital distribution being made by the Company, whether on a reduction of capital or otherwise, to the Shareholders in their capacity as such or the grant to the shareholders the right to acquire for cash assets of the Group;
- (iv) an offer or grant being made by the Company to the Shareholders by way of rights or of options or warrants to subscribe for new Shares at a price which is less than 90% of the market price of the Shares;

- (v) an issue wholly for cash being made by the Company or any other company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per Share is less than 90% of the market price of the Shares, or the terms of any such issue being altered so that the said total effective consideration is less than 90% of the market price of the Shares;
- (vi) an issue being made by the Company wholly for cash of Shares at a price less than 90% of the market price of the Shares; and
- (vii) a cancellation of any Shares repurchased by the Company in circumstances where the Directors consider that it may be appropriate to make an adjustment to the subscription price.

(7) *Transferability*

The Warrants are transferable in integral multiples of the Subscription Price by instrument of transfer in any usual or common form or such other form as may be approved by the Directors.

(8) *Rights of the holders of the Warrants*

The holders of the Warrants will not have any right to attend or vote at any meeting of the Company by virtue of them being the holders of the Warrants. The holders of the Warrants shall not have the right to participate in any distributions and/or offers of further securities made by the Company.

SPECIFIC MANDATE TO ISSUE THE WARRANT SHARES

The Warrant Shares to be allotted and issued upon exercise of the subscription rights attaching to the Warrants will be allotted and issued pursuant to the Specific Mandate. The Company will seek the grant of the Specific Mandate from the Shareholders at the SGM. The SGM will be held to consider and, if thought fit, pass the requisite resolutions to approve, among other things, the Placing Agreement and the transactions contemplated thereunder including the issue of the Warrants and the Specific Mandate for the allotment and issue of the Warrant Shares.

A circular containing further details of the Placing Agreement and the notice of SGM will be despatched to the Shareholders as soon as practicable.

APPLICATION FOR LISTING

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

REASONS FOR THE PLACING

The Group is principally engaged in the film production and related business, film processing, rental of property and property development.

Having considered various ways of fund raising, the Directors are of the view that the Placing is in the interest of the Company and its Shareholders as a whole to raise the general working capital for the Company as well as to repay interest expenses. In addition, the Directors consider that the Warrants will strengthen the Group's financial position and liquidity as in the event the holders of the Warrants exercise the subscription rights attaching to their Warrants, further funds will be received by the Company to cater for the needs for its operations and developments.

The Directors consider that the terms of the Placing Agreement are fair and reasonable and the Placing is on normal commercial terms and in the interest of the Company and the Shareholders as a whole.

USE OF PROCEEDS

It is expected that the maximum net proceeds from the Placing (after deducting the placing commission payable to the Placing Agent and other expenses incurred in the Placing and excluding any exercise of the subscription rights attached to the Warrants) will amount to approximately HK\$13.5 million (with a net issue price of approximately HK\$0.051 per Warrant). Assuming the full exercise of the subscription rights attached to the Warrants, it is expected that a further amount of approximately HK\$180.2 million will be raised (with a net subscription price of approximately HK\$0.68 per Warrant Share).

The Company intends to apply all or part of the net proceeds from the Placing as general working capital of the Company as well as for the repayment of interest expenses.

FUND RAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

Date of announcement	Event	Approximate net proceeds	Intended use of proceeds	Actual use of proceeds
10 December 2014	Issue of USD 20 million guaranteed secured notes due 2018	Not more than USD19,179,000 (equivalent to approximately HK\$148,638,000)	For its residential property development projects and as general working capital	For its residential property and hotel development projects and as general working capital

Save as disclosed above, the Company has not undertaken any equity fund raising exercise in the 12 months immediately preceding the date of this announcement.

EFFECT OF THE PLACING ON SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company had 1,498,096,766 Shares in issue. Under the Existing Warrants issued on 5 March 2014, the total number of new shares which may be issued under the Existing Warrants are 7,933,329 Shares and the Company has adopted a share option scheme on 2 September 2013 and granted share options to certain Directors and employees of the Company to subscribe for a total of 77,812,266 Shares pursuant to such share option scheme on 5 November 2013. Save as disclosed herein, as at the date of this announcement, there were no other outstanding options, warrants, derivatives, or other securities which carried rights to subscribe for or convertible into Shares.

For illustration purpose only, set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after the Placing and assuming the full exercise of the subscription rights attaching to the Warrants.

Shareholders	As at the date of this announcement		Immediately after the completion of the Placing and assuming the full exercise of the subscription rights attaching to the Warrants	
	No. of Shares	%	No. of Shares	%
Full Dragon Group Limited (<i>Note 1</i>)	938,309,250	62.63	938,309,250	53.22
Public				
Places	–	–	265,000,000	15.03
Other public Shareholders	<u>559,787,516</u>	<u>37.37</u>	<u>559,787,516</u>	<u>31.75</u>
Total	<u><u>1,498,096,766</u></u>	<u><u>100.00</u></u>	<u><u>1,763,096,766</u></u>	<u><u>100.00</u></u>

Note:

1. The entire issued share capital of Full Dragon Group Limited is owned by Mr. Cheng Keung Fai. Full Dragon Group Limited has granted (i) a security interest over 58.39% of the total issued share capital of the Company and (ii) a call option to acquire not more than 10.0% of the total issued share capital of the Company, to a subsidiary of Central Huijin Investment Limited, details of which were disclosed in the announcement of the Company dated 4 May 2015.
2. Certain percentage figures included in this table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

ISSUE OF WARRANT SHARES

Pursuant to Rule 15.02(1) of the Listing Rules, the Warrant Shares to be issued upon exercise of the Warrants must not, when aggregated with all other equity securities which remain to be issued on exercise of any other subscription rights, if all such rights were immediately exercised, whether or not

such exercise is permissible, exceed 20% of the issued share capital of the Company at the time the Warrants are issued. Options granted under employee or executive share schemes which comply with Chapter 17 of the Listing Rules are excluded for the purpose of such limit.

The Company has issued Existing Warrants and as at the date of this announcement, there are outstanding Existing Warrants with conversion rights not yet exercised. The new Shares which will be issued upon full exercise of the Existing Warrants is 7,933,329 new Shares.

The new Shares which will be issued upon full exercise of the Existing Warrants and Warrants is 272,933,329 new Shares, which is less than 20% of the issued share capital of the Company as at the date of this announcement. Accordingly, the issue of the Warrants is in compliance with Rule 15.02(1) of the Listing Rules.

SGM

The SGM will be convened and held to consider and, if thought fit, pass the requisite resolution(s) to approve, among other things, the Placing Agreement and the transactions contemplated thereunder, including the issue of the Warrants and the Specific Mandate for the allotment and issue of the Warrant Shares. To the best knowledge of the Directors, none of the Shareholders has a material interest in the transactions contemplated under the Placing Agreement as at the date of this announcement. Accordingly, none of the Shareholders will be required to abstain from voting at the SGM in respect of the resolution(s) relating to the Placing Agreement and the Specific Mandate.

A circular containing further details of the Placing Agreement and the notice of SGM will be despatched to the Shareholders as soon as practicable.

ADJUSTMENT TO SUBSCRIPTION PRICE OF THE EXISTING WARRANTS

References are made to the announcements dated 24 February 2014 and 5 March 2014 of the Company in relation to, among other things, the issue of the Existing Warrants (the “**Existing Warrants Announcements**”).

As disclosed in the Existing Warrants Announcements, the Then Subscription Price will be subject to adjustment upon an issue wholly for cash being made by the Company convertible into or carrying rights of subscription for new Shares, if the total effective consideration per Share is less than 90% of the market price of the Shares.

As a result of the Placing, the Then Subscription Price of the Existing Warrants will be adjusted from HK\$0.70 per Share to HK\$0.66 per Share in accordance with the terms and conditions set out in the instrument of the Existing Warrants. The adjustment to the Then Subscription Price shall become effective on the date of issue of the Warrants. The adjustment was certified by a merchant bank appointed by the Company.

Save for the adjustment to the Then Subscription Price, the terms and conditions of the Existing Warrants remain unchanged. As at the date of this announcement, the total number of new shares which may be issued under the Existing Warrants are 7,933,329 Shares.

Completion of the Placing of Warrants is subject to fulfillment of the conditions precedent under the Placing Agreement and the Placing Agent’s rights of termination of the Placing of Warrants under the terms and conditions of the Placing Agreement. Accordingly, the Placing of Warrants may or may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following means:

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday or public holiday) on which licensed banks in Hong Kong generally are open for business throughout their normal business hours
“Company”	Cheung Wo International Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Placing in accordance with the terms and conditions of the Placing Agreement
“Directors”	the director(s) of the Company
“Existing Warrants”	unlisted warrants conferring the rights to subscribe for an aggregate of 7,933,329 Shares at the Then Subscription Price of HK0.70 per Share (subject to adjustment) issued on 5 March 2014
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons

“Issue Price”	HK\$0.057 per Warrant to be issued pursuant to the Placing
“Last Trading Day”	27 May 2015, being the last day on which the Shares were traded on the Stock Exchange prior to the issue of this announcement
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Placees”	any professional or institutional investors selected and procured by or on behalf of the Placing Agent to subscribe for the Warrants pursuant to the Placing Agreement
“Placing”	the placing of the Warrants on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	GF Securities (Hong Kong) Brokerage Limited, a licensed corporation to carry out type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the SFO
“Placing Agreement”	the placing agreement entered into between the Company and the Placing Agent in respect of the Placing
“PRC”	the People’s Republic of China
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held to approve, among others, the Placing Agreement and the Specific Mandate
“Shares”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Specific Mandate”	the specific mandate required to be granted to the Directors by the Shareholders at a general meeting for the allotment and issue of Warrant Shares

“Subscription Period”	a period of 12 months commencing from the date of issue of the Warrants
“Subscription Price”	HK\$0.68 (subject to adjustment), being the exercise price per Warrant Share at which the holder of each Warrant may subscribe for the Warrant Shares
“Then Subscription Price”	HK\$0.70 (subject to adjustment), for the Existing Warrants
“USD”	United States dollar(s), the lawful currency of the United States. For the purpose of illustration in this announcement only, translations of USD into Hong Kong dollars or vice versa have been calculated by using an exchange rate of USD1.00 equal to HK\$7.75
“Warrants”	unlisted warrants issued at the Issue Price conferring the rights on the holders thereof to subscribe for an aggregate of 265,000,000 Warrant Shares at the Subscription Price of HK\$0.68 per Warrant Share (subject to adjustment upon the occurrence of any of the adjustment events) during the Subscription Period, created by the Warrant Instrument
“Warrant Instrument”	an instrument to be executed by the Company by way of deed poll constituting the Warrants
“Warrant Share(s)”	new Shares to be allotted and issued by the Company upon exercise of the subscription rights attaching to the Warrants
“%”	per cent

By order of the Board
Cheung Wo International Holdings Limited
Jin Lei
Chairman

Hong Kong, 27 May 2015

As at the date of this announcement, the Board comprises six Directors, of which the executive Directors are Mr. Jin Lei (Chairman), Ms. Law Kee, Alice (Chief Executive Officer), Mr. Hui Wai Lee, Willy; and the independent non-executive directors are Mr. Tsui Pui Hung, Mr. Tang Ping Sum and Mr. Chu To, Jonathan.