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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)

(1) COMPLETION OF THE ISSUE OF UNLISTED WARRANTS UNDER SPECIFIC MANDATE (2) ADJUSTMENT TO SUBSCRIPTION PRICE OF THE EXISTING WARRANTS

Placing Agent



The Board is pleased to announce that all conditions of the Placing have been fulfilled and that the Placing was completed on 13 July 2015 in accordance with the terms of the Placing Agreement. A total of 265,000,000 Warrants at the Issue Price of HK\$0.057 per Warrant were placed to not less than six Places.

As at the date of this announcement, there are Existing Warrants entitling the holders thereof to subscribe for up to 792,591 new 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 13 July 2015, being the date of issue of the Warrants.

* For identification purpose only

Reference is made to the announcement of the Company dated 27 May 2015 (the “**Announcement**”) and the circular of the Company dated 15 June 2015 (the “**Circular**”) in relation to the Placing. Unless the context requires otherwise, terms used herein have the same meanings as those defined in the Announcement.

COMPLETION OF THE PLACING

The Board is pleased to announce that all conditions of the Placing have been fulfilled and the Placing was completed on 13 July 2015 in accordance with the terms of the Placing Agreement. A total of 265,000,000 Warrants at the Issue Price of HK\$0.057 per Warrant were placed to not less than six Placees.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, (i) the Placees are third parties independent of and are not connected with the Company and its connected persons; and (ii) the Placees do not hold and do not have any interest in any Existing Warrants.

The gross proceeds and net proceeds (after deducting the placing commission payable to the Placing Agent and other expenses incurred in the Placing but prior to any exercise of the subscription rights attached to the Warrants) from the Placing are approximately HK\$15.1 million and HK\$13.5 million respectively. As disclosed in the Circular, all or part of the net proceeds is intended to be used for payment of interest due under the notes in the amount of US\$20,000,000 issued by the Company on 27 January 2015.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) immediately before Completion; (ii) immediately after Completion but before the exercise of any subscription rights attaching to any Warrants; and (iii) immediately after Completion and assuming the full exercise of the subscription rights attaching to the Warrants, assuming also that there are no other changes to the issued share capital of the Company, are as follows:

Shareholders	Immediately before Completion		Immediately after Completion but before the exercise of any subscription rights attaching to any Warrants		Immediately after Completion and assuming the full exercise of the subscription rights attaching to the Warrants	
	Number of Shares	%	Number of Shares	%	Number of Shares	%
Full Dragon Group Limited (<i>Note 1</i>)	938,309,250	62.34	938,309,250	62.34	938,309,250	53.00
Public						
- Placees	-	-	-	-	265,000,000	14.97
- Other public Shareholders	<u>566,928,254</u>	<u>37.66</u>	<u>566,928,254</u>	<u>37.66</u>	<u>566,928,254</u>	<u>32.03</u>
Total	<u><u>1,505,237,504</u></u>	<u><u>100.00</u></u>	<u><u>1,505,237,504</u></u>	<u><u>100.00</u></u>	<u><u>1,770,237,504</u></u>	<u><u>100.00</u></u>

Notes:

1. The entire issued share capital of Full Dragon Group Limited is owned by Mr. Cheng Keung Fai.
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.

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 of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if the total effective consideration per new 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 13 July 2015, being the date of issue of the Warrants. This adjustment was certified by a merchant bank appointed by the Company.

Save for the adjustment to the Then Subscription Price as set out in this announcement, 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 is 792,591 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 an employee or executive share scheme which complies with Chapter 17 of the Listing Rules are excluded for the purpose of such limit.

Assuming full exercise of the subscription rights attaching to the Warrants and full subscription under the Existing Warrants at the adjusted Then Subscription Price of HK\$0.66 per Share, 265,792,591 new Shares (representing approximately 17.66% of the issued share capital of the Company of 1,505,237,504 Shares immediately after Completion and as at the date of this announcement) will be issued. Accordingly, the issue of the Warrants is in compliance with Rule 15.02(1) of the Listing Rules.

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

Hong Kong, 13 July 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. Chiu Sin Nang, Kenny.