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BEAUTIFUL CHINA HOLDINGS COMPANY LIMITED

美麗中國控股有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 706)

COMPLETION OF THE SUBSCRIPTION

The Board is pleased to announce that the Completion took place on 28 January 2014. Pursuant to the Subscription Agreement, 2,000,000,000 Subscription Shares have been duly allotted and issued to Leading Value Industrial Limited.

References are made to (i) the announcement of the Company dated 22 October 2013, 12 November 2013, 2 December 2013, 23 December 2013 and 30 December 2013; and (ii) the circular of the Company dated 6 December 2013 (the “Circular”) in relation to, among other things, the Subscription, the Whitewash Waiver and the Capital Increase. Unless otherwise stated, capitalized terms used herein shall bear the same meanings as defined in the Circular.

COMPLETION OF THE SUBSCRIPTION

The Board is pleased to announce that on 28 January 2014, completion of the Subscription took place in accordance with the terms and conditions of Subscription Agreement. Pursuant to the Subscription Agreement, 2,000,000,000 Subscription Shares have been duly allotted and issued to Leading Value Industrial Limited. The Subscriber, Mr. Sze and parties acting or presumed to be acting in concert with anyone of them (including Global Prize Limited) have confirmed to the Company that they have not dealt in any securities of the Company between 22 October 2013 and the date of Completion.

EFFECTS OF THE SUBSCRIPTION

The shareholdings in the Company as immediately before the Capital Increase becomes effective and Completion; and immediately after the Capital Increase becomes effective and Completion are summarised as follows:

	Immediately before the Capital Increase becomes effective and Completion		Assuming (i) the Capital Increase becomes effective; (ii) completion of the Subscription; and (iii) the subscription rights attaching to the Outstanding Options were not exercised at all		Assuming (i) the Capital Increase becomes effective; (ii) completion of the Subscription; and (iii) full exercise of the Outstanding Options (Note 5)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%
The Subscriber (Note 1)	474,869,906	22.21	2,474,869,906	59.81	2,474,869,906	59.31
Global Prize Limited (Note 1)	2,040,000	0.10	2,040,000	0.05	2,040,000	0.05
Mr. Sze (Note 2)	–	–	–	–	2,500,000	0.06
Sub-total of the Subscriber and persons acting in concert with it (Note 3)	476,909,906	22.31	2,476,909,906	59.86	2,479,409,906	59.42
Executive Director(s)						
Mao Zhenhua	–	–	–	–	2,500,000	0.06
Tan Shu Jiang	–	–	–	–	4,000,000	0.10
Independent non-executive Director(s)						
Chong Yiu Kan, Sherman	650,000	0.03	650,000	0.01	2,650,000	0.06
Public:						
Grantees of Outstanding Options (other than Mr. Sze and the Directors) (Note 4)	–	–	–	–	23,700,000	0.57
Other Shareholders	<u>1,660,525,016</u>	<u>77.66</u>	<u>1,660,525,016</u>	<u>40.13</u>	<u>1,660,525,016</u>	<u>39.79</u>
	<u><u>2,138,084,922</u></u>	<u><u>100.00</u></u>	<u><u>4,138,084,922</u></u>	<u><u>100.00</u></u>	<u><u>4,172,784,922</u></u>	<u><u>100.00</u></u>

Notes:

1. The Subscriber and Global Prize Limited are companies wholly owned by Mr. Sze.
2. Mr. Sze is the executive Director, chairman and chief executive officer of the Company.

3. The persons acting in concert with the Subscriber comprises Mr. Sze and Global Prize Limited.
4. None of these grantees of the Outstanding Options is a director, chief executive or substantial shareholder of the Company, or any of their respective associates or parties acting in concert with the Subscriber.
5. Full exercise of the Outstanding Options would result in a maximum of 34,700,000 new Shares being fallen to be allotted and issued to its holders.

For and on behalf of
Beautiful China Holdings Company Limited
Tan Shu Jiang
Executive Director

Hong Kong, 28 January 2014

As at the date of this announcement, the Board comprises Mr. Sze Wai, Marco, Mr. Tan Shu Jiang, Mr. Mao Zhenhua and Mr. Shentu Jun as executive Directors, and Mr. Lai Yip Wing, Mr. Chan Ming Sun, Jonathan and Mr. Chong Yiu Kan, Sherman as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.