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SINO HAIJING HOLDINGS LIMITED

中國海景控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01106)

LETTER OF INTENT IN RESPECT OF THE PROPOSED ACQUISITION

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of 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, the Laws of Hong Kong).

The Board is pleased to announce that on 15 January 2016 (after trading hours), the Company and the Vendor entered into the Letter of Intent in relation to the Proposed Acquisition.

The Letter of Intent is non-legally binding save for the provisions relating to, among other things, consideration, costs, confidentiality, binding effect and liability, exclusivity, due diligence, undertaking, termination and governing law of the Letter of Intent.

As the Proposed Acquisition may or may not materialise, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

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MAJOR TERMS OF THE LETTER OF INTENT

Date: 15 January 2016

Parties:

(a) **Vendor** An Independent Third Party

(b) **Purchaser** The Company

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Vendor and the Target are Independent Third Parties as at the date of this announcement.

Assets to be acquired

Pursuant to the Letter of Intent, it is proposed that the Company, will acquire, and the Vendor will sell 95% of the issued share capital in the Target.

Consideration

The total consideration of the Proposed Acquisition shall be aggregate of HK\$2,850,000 plus an amount equivalent to 95% of the net asset value of the Target as at 31 December 2015 and the total consideration shall not exceed HK\$5,700,000. The consideration will be settled in cash at completion, less the refundable deposit of HK\$500,000 paid by the Company to the Vendor upon signing of the Letter of Intent.

The consideration shall be determined after arm's length negotiations between the Company and the Vendor, having regard to (i) the net asset value of the Target with reference to its unaudited management account for the year ended 31 December 2015; and (ii) the future prospect of the Target.

Refundable deposit

Subject to the terms of the Letter of Intent, the Company shall pay a refundable deposit of HK\$500,000 to the Vendor upon signing of the Letter of Intent. In the event that the Proposed Acquisition is not completed for whatever reason, the Vendor shall repay the amount of HK\$500,000.

Exclusivity

The Vendor agree that it and/or any person acting in concert with the Vendor as defined in The Hong Kong Codes on Takeovers and Mergers, will not negotiate with or solicit offers from any other parties in relation to the acquisition or disposal of 95% of the interest in the Target or investment in the Target within a period of 90 days after the date of signing of the Letter of Intent (or such other dates as agreed by the parties in writing) (the “**Exclusivity Period**”).

Due diligence

During the Exclusivity Period, the Company shall procure its advisers or agents to conduct due diligence review on the Target Group’s assets, liabilities, legal, finance, operation, matters and other aspects which the Company reasonably considers appropriate (the “**Due Diligence Review**”). The Vendor shall use its best endeavours to provide and procure the Target Group, its officers, employees, agents and advisers to, provide assistance to the Company and its advisers or agents in respect of the Due Diligence Review as reasonable requested by the Company and its advisers or agents, so that the Due Diligence Review can be completed within the Exclusivity Period.

Conditions precedent

Completion of the Proposed Acquisition is conditional upon (i) all appropriate governmental, regulatory and shareholders’ approvals of the Company, if required, having been obtained in relation to the Proposed Acquisition; (ii) all consents of the Stock Exchange and other regulatory authorities (where required) having been obtained; (iii) the Company being satisfied with the results of the Due Diligence Review; and (iv) the Subsidiary of the Target being wholly-owned by the Target.

Termination

The Letter of Intent shall be terminated and be of no force and effect on the earlier of (i) the date on which the formal agreement in relation to the Proposed Acquisition is executed; (ii) the expiry of the Exclusivity Period; or (iii) any other date as the parties to the Letter of Intent may agree in writing, whereupon the parties to the Letter of Intent shall have no further obligations to the other party save for any antecedent breach.

INFORMATION ON THE TARGET AND THE TARGET GROUP

The Target is a company with limited liability incorporated in Hong Kong on 1 March 1977 and is a travel related investment holding company, which together with the Subsidiary in Hong Kong, are principally engaged in the business of travel agency.

REASONS FOR AND BENEFITS OF THE PROPOSED ACQUISITION

The Group mainly focuses on the production and sale of expanded polystyrene packaging products for household electrical appliances in the PRC.

To better manage the business risks and to diversify the business of the Company, the Board has been considering to explore appropriate opportunities for different investment projects. The Board believes that the potential for developing high yield travel services and products, such as special interest tours, are the next profitable step to take in light of greater interest among the population in the PRC for overseas exposure.

In view of the terms of the Letter of Intent, the future development prospects of the Target Group's travel businesses and the goodwill, the reputation and the client base possessed by the Target Group, the Board are of the view that the Proposed Acquisition are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

GENERAL

The Proposed Acquisition, if materialised, may constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. Further announcement(s) in relation to the Proposed Acquisition will be made by the Company as and when appropriate in accordance with the Listing Rules.

The Board would like to emphasise that no legally binding agreement in relation to the Proposed Acquisition has been entered into by the Company as at the date of this announcement (save as to, the provisions relating to consideration, costs, confidentiality, binding effect and liability, exclusivity, due diligence, undertaking, termination and governing law of the Letter of Intent). As the Proposed Acquisition may or may not materialise, Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

DEFINITIONS

In this announcement, the following words and expressions shall have the meanings set out below, unless the context otherwise requires:

“Board”	the board of Directors
“Company”	Sino Haijing Holdings Limited (stock code: 01106), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party independent of and not connected with the Company and any of its connected person(s) or their respective associates
“Letter of Intent”	the Letter of Intent dated 15 January 2016 entered into between the Vendor and the Company in relation to the Proposed Acquisition
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of this announcement and for geographical reference only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan

“Proposed Acquisition”	the proposed acquisition by the Company of 95% of the issued share capital of the Target
“Shareholders”	holders of the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	Incola Air Services Limited, a company incorporated in Hong Kong with limited liability
“Target”	Incola Travel Limited, a company incorporated in Hong Kong with limited liability
“Target Group”	the Target and the Subsidiary
“Vendor”	an Independent Third Party
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong

By order of the Board
Sino Haijing Holdings Limited
Li Zhenzhen
Executive Director

Hong Kong, 15 January 2016

As at the date of this announcement, the Board comprises of Ms. Li Zhenzhen, Mr. Lam Chi Keung, Ms. Szeto Wai Ling Virginia, Mr. Lam Wai Hung and Ms. Hu Jianping as executive Directors; Mr. Fung Wah Bong Peter as the non-executive Director; Mr. Lee Siu Woo, Mr. Pang Hong and Mr. Foo Tin Chung Victor as the independent non-executive Directors.

This announcement is published on the HKEx news website at <http://www.hkexnews.hk> and on the website of the Company at <http://www.sinohaijing.com>.