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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: 1106)**

**MEMORANDUM OF UNDERSTANDING**  
**IN RESPECT OF THE POSSIBLE ACQUISITION**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

**MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE ACQUISITION**

The Board is pleased to announce that on 5 February 2013 (after trading hours), the Potential Purchaser entered into a non-legally binding MOU with the Potential Vendor in relation to the Possible Acquisition. To the best of the Directors' knowledge, the Target Group is principally engaged in energy saving management.

The Possible Acquisition, if it materialises, may constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. Further announcement(s) in respect of the Possible Acquisition will be made by the Company as and when appropriate in accordance with the Listing Rules.

**The Board wishes to emphasize that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. In particular, Shareholders and potential investors in the Company are reminded that there is no assurance that the Possible Acquisition or any other transaction mentioned in this announcement will materialise or eventually be consummated and that the Possible Acquisition will be subject to various conditions. Shareholders and potential investors are urged to exercise caution when dealing in the securities of the Company.**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

## **MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE ACQUISITION**

**Date:** 5 February 2013 (after trading hours)

**Parties:** (i) the Potential Purchaser, a wholly-owned subsidiary of the Company;  
(ii) the Potential Vendor

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Potential Vendor is an Independent Third Party.

### **Principal terms of the MOU**

Under the MOU, it is proposed that the Potential Vendor and the Potential Purchaser (or its designated company) will enter into the Formal Agreement after completion of the Reorganisation. The consideration for the Possible Acquisition shall be subject to further negotiation between the parties concerned, with reference to the valuation of the Target Group to be conducted by a valuer assigned by the Potential Purchaser. The consideration may be settled by cash and/or by procuring the Company to issue financial instrument (including but not limited to promissory note, convertible securities or shares of the Company).

Under the MOU, both the Potential Purchaser and the Potential Vendor will proceed to the negotiation for a legally-binding Formal Agreement on or before 31 July 2013 (or such later date as the Potential Vendor and the Potential Purchaser may agree). The entering into of the Formal Agreement shall be subject to, inter alia, the following conditions:

- (1) completion of the Reorganisation; and
- (2) the Potential Purchaser having satisfied with the initial results of the due diligence review to be conducted by the Potential Purchaser on the Target Group.

It is currently contemplated by the parties that the Formal Agreement would contain conditions precedent, and representations, warranties, undertakings and indemnities to be given by the Potential Vendor which are usual for transactions similar to the sale and purchase of the Sale Shares as contemplated by the MOU.

Under the MOU, it is also agreed that the Potential Vendor will not and will procure the Target Group not to, during the Exclusivity Period negotiate with any party other than the Potential Purchaser or its affiliates for the Possible Acquisition.

The MOU does not constitute legally-binding commitment on the part of the Potential Vendor and the Potential Purchaser in respect of the Possible Acquisition except for the terms relating to the Exclusivity Period and confidentiality. The Possible Acquisition will be subject to the execution and completion of the Formal Agreement.

## **INFORMATION OF THE TARGET COMPANY**

The Target Company is a company established in the PRC, which is currently owned by Independent Third Parties, and will undergo the Reorganisation before the execution of the Formal Agreement. To the best of the Directors' knowledge, the Target Company is principally engaged in energy saving management.

## **REASONS FOR AND BENEFITS OF THE POSSIBLE ACQUISITION**

The Group is principally engaged in the production and sales of EPS packaging products in the PRC.

Amid the significant reduction in the demand for the household electrical appliances and the fierce competition amongst the packaging products market in the PRC, the Directors consider that the Possible Acquisition will offer a good opportunity for the Group to diversify its business and seek new revenue avenues.

The Directors consider the terms of the MOU are fair and reasonable and the Possible Acquisition is in the interest of the Company and Shareholders as a whole.

## **GENERAL**

The Possible Acquisition, if it materialises, may constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. Further announcement(s) in respect of the Possible Acquisition will be made by the Company as and when appropriate in accordance with the Listing Rules.

**The Board wishes to emphasize that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. In particular, Shareholders and potential investors in the Company are reminded that there is no assurance that the Possible Acquisition or any other transaction mentioned in this announcement will materialise or eventually be consummated and that the Possible Acquisition will be subject to various conditions. Shareholders and potential investors are urged to exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

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

“associate(s)” has the meaning ascribed thereto under the Listing Rules

“Board”	the board of Directors
“Company”	Sino Haijing Holdings Limited, a company incorporated in Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“EPS”	expandable polystyrene, a commonly used cushion packaging materials for electrical products
“Exclusivity Period”	the period from the date of the MOU to 31 July 2013, during which the Potential Vendor will not negotiate with any party other than the Potential Purchaser for the Possible Acquisition
“Formal Agreement”	the formal sale and purchase agreement which may be entered into by the Potential Vendor and the Potential Purchaser if the Possible Acquisition materialises
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Group and its connected persons in accordance with the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the non-legally binding memorandum of understanding dated 5 February 2013 (after trading hours) entered into between the Potential Purchaser and the Potential Vendor setting out the preliminary understanding in relation to the Possible Acquisition
“Possible Acquisition”	the possible acquisition by the Potential Purchaser from the Potential Vendor of the Sale Shares as contemplated in the MOU
“Potential Purchaser”	Great Prospect Enterprises Limited, a limited company incorporated in the British Virgin Islands and wholly owned by the Company

“Potential Vendor”	an Independent Third Party
“PRC”	the People’s Republic of China, and for the purposes of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Reorganisation”	reorganisation of the Target Group to the effect that the entire equity interest of the Target Company will be beneficially owned by offshore companies
“Sale Shares”	the entire issued share capital of offshore companies which will own the entire equity interest in the Target Company upon completion of the Reorganisation
“Share(s)”	ordinary share(s) of HK\$0.025 in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	北京艾久瓦光電科技有限公司 (Beijing Ideva Lighting Technology Co., Ltd.*) , a limited liability company established in the PRC
“Target Group”	the Target Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board  
**Sino Haijing Holdings Limited**  
**Chao Pang Fei**  
*Chairman*

Hong Kong, 5 February 2013

*As at the date of this announcement, the Board comprises of Mr. Chao Pang Fei (executive Director), Mr. Wang Yi (executive Director), Ms. Hui Hongyan (executive Director), Mr. Lan Yu Ping (non-executive Director), Mr. Ho Ka Wing (independent non-executive Director), Mr. Sin Ka Man (independent non-executive Director) and Ms. Chen Hongfang (independent non-executive Director).*

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

\* for identification purpose only