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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)**

### **VOLUNTARY ANNOUNCEMENT – UPDATE ON THE PROPOSED ACQUISITION OF 49% SHAREHOLDING IN THE TARGET COMPANY**

This is a voluntary announcement made by Sino Haijing Holdings Limited (the “**Company**”) for keeping the shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest business development of the Company and its subsidiaries (the “**Group**”).

Reference is made to the announcement of the Company dated 23 November 2016 (the “**Announcement**”) in relation to, among other things, the Proposed Acquisition. Unless otherwise defined, capitalized terms used herein shall have the same meanings as defined in the Announcement.

As disclosed in the Announcement, the Company and the Vendor entered into the MOU in relation to the Proposed Acquisition, and the Exclusivity Period was granted to the Company to conduct due diligence review on the Target Company and to negotiate on the terms of the Proposed Acquisition. The formal SPA shall be entered into between the Vendor and the Company within the Exclusivity Period. The Company wishes to update the Shareholders that the Exclusivity Period has expired on 20 January 2017. As the negotiation on certain conditions has not been completed prior to the expiry of the Exclusivity Period, no formal SPA was entered into between the Company and the Vendor. The MOU has lapsed and ceased to have any effect. Pursuant to the MOU, the Vendor shall immediately and unconditionally refund the Earnest Money to the Company. The Vendor has negotiated with the Company and have agreed to settle the Earnest Money by entering into two loan agreements (“**Loan Agreements**”), pursuant to which the Company, has agreed to grant to the Target Company loans in the aggregate principal amount of not more than HK\$72 million, bearing interest at a rate of 10% per annum for a period of half year (“**Loans**”). As of the date of this announcement, approximately HK\$40.7 million has been drawn by the Target Company, inclusive of the settlement of the Earnest Money.

By entering into the Loan Agreements, the Group intended to increase the rate of return of its cash and cash equivalents which can improve both the investment income and the profits of the Group. Further, the terms of the Loan Agreements were negotiated on an arm's length basis between the Company and the Target Company based on, among other things, the financing needs requested by the Target Company and the Company's assessment on the source of funds for repayment and the business conditions. The Directors are of the view that the Loan Agreements was entered into on normal commercial terms.

The Directors are of the view that the lapse of the MOU does not have any material adverse impact on the business operation and financial position of the Group. The Directors also consider that the terms of the Loan Agreements are fair and reasonable and the settlement of refundable Earnest Money by the advance of the Loans is in the interest of the Company and shareholders as a whole.

### **LISTING RULES IMPLICATIONS**

As the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Loans under the Loan Agreements are below 5%, the grant of the Loans is not subject to the disclosure requirement under Chapter 14 of the Listing Rules.

As the assets ratio as defined under Rule 13.13 of the Listing Rules in respect of the Loans does not exceed 8%, the advance of the Loans is not subject to the general disclosure obligations under Rule 13.15 of the Listing Rules.

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

Hong Kong, 1 March 2017

*As at the date of this announcement, the Board comprises of Ms. Li Zhenzhen, Mr. Lam Wai Hung, Mr. Wang Xin, Mr. Wei Liyi and Mr. Cheng Chi Kin as the executive Directors; Ms. Hu Jianping as the non-executive Director; Mr. Pang Hong, Mr. Lee Tao Wai, Mr. Lam Hoi Lun and Mr. Li Yang as the independent non-executive Directors.*