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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)**

### **MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE PROPOSED ACQUISITION OF 49% SHAREHOLDING IN SPLENDID STRAM LIMITED**

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of Sino Haijing Holdings Limited (the “**Company**”) is pleased to announce that on 23 November 2016 (after trading hours), the Company and Vendor entered into the non-legally binding MOU in relation to the Proposed Acquisition.

#### **THE MOU**

The principal terms of the MOU are set out below:

Date: 23 November 2016

Parties: (a) the Company; and

(b) Vendor.

- (i) Both parties agree to enter into the share sale and purchase agreement (the “SPA”) within 60 days from the date hereof; and that Vendor shall cause the Target Company and its employees to provide information requested and allow inspection of the Target Company by the Company and its personnel to complete a due diligence on the Target Company.
- (ii) Subject to the conditions precedent having been satisfied (or waived), Proposed Acquisition shall take place within 120 days from the date of the MOU (the “Completion”). Such Completion date may be reasonably extended by mutual agreement of the parties.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, Vendor is a third party independent from the Company and its Connected Persons (as defined in the Listing Rules).

### **Earnest Money**

The Company has agreed to pay up to RMB30,000,000 (approximately HK\$33,900,000) in cash as an earnest money (the “Earnest Money”) to the Vendor or its designated account within three business days upon the execution of the MOU.

### **Consideration**

Subject to the terms and conditions of the MOU, Vendor agrees to sell and the Company agrees to buy the Sale Shares as follows:

- (i) an aggregate price of RMB300,000,000 (approximately HK\$339,000,000) (“Consideration”).
- (ii) The Consideration is based on the understanding that on Completion, the Sale Shares shall be free from any pledges, claims, charges, liens and encumbrances whatsoever and are fully paid, and that Vendor has the full and unrestricted right, title and interest to the Sale Shares.
- (iii) In relation to the Proposed Acquisition for which any registration or proceedings is required, Vendor shall be solely responsible for the withholding income tax, stamp duty and any relevant expenses.

- (iv) Subject to the terms and conditions of the MOU and the SPA, the payment to be made by the Company shall be the Sale Price less the amount of the Earnest Money which shall be considered and applied as part of the payment of the Sale Price, with the final amount and payment method being conditional on the SPA.

### **Conditions Precident to the Proposed Acquisition**

The following key conditions, among other things, shall have been satisfied in full (or obviously waived by the Company) prior to the Completion, details of which will be fully reflected in the SPA:

- (i) completion by the Company of its legal, financial and operational due diligence of the Target Company, including but not limited to the due diligence of all licenses required for the operation of the business of the Target Company with the result satisfactory to the Company;
- (ii) the representations and warranties that are required and applicable to the nature of the transactions contained herein and the business of the Target Company all of which shall remain true and accurate in all respects and not misleading in any respect at the Completion and any point in time thereafter;
- (iii) execution of any applications and supporting documents in order to reflect all amendments of the Target Company's corporate registration according to resolutions adopted by the Target Company's board of directors' and shareholders' meeting caused by Vendor in compliance with the provisions of the SPA and as required by law;
- (iv) all corporate approval of the Proposed Acquisition by the Target Company, its board of directors and by any related corporate or private body related to the transactions herein;
- (v) approval of the transactions contemplated therein by the Company's board of directors;
- (vi) on Completion, Vendor shall surrender all share certificate(s) issued in relation to the Sale Shares and cause the Target Company to register the Proposed Acquisition and the Company as new shareholder in the share register;
- (vii) the full repayment of the loan and payment of the interest and obligations thereunder to the Target Company's creditors with evidence of receipt.

## **Confidentiality**

Vendor and the Company agree to keep confidential the MOU and the transactions contemplated by the MOU as well as all communications, agreements, documents, and other information disclosed to it pursuant to the MOU and such transactions, except:

- (a) disclosures on a need-to-know basis made to its management, employees, representatives, agents, and to legal, engineering and other professional advisors provided that the disclosing party is responsible for ensuring that employees and/or advisors comply with this clause as if they were part of the MOU;
- (b) disclosures required to be made by law or a competent authority; and
- (c) disclosures, including press announcements, made in accordance with the prior written consent of the other party.

## **Exclusivity**

Vendor warrants and causes the Target Company to warrant that, without the prior written consent of the Company, each of them during the period from the date of the MOU up to the later of (i) the date of signing of the SPA; (ii) the date falling 60 days from the date of the MOU; or (iii) such later date as the parties to the MOU may otherwise agree in writing (the “**Exclusivity Period**”), will not directly or indirectly engage any discussion or negotiation with any third party in respect of the sale, transfer, assignment of or otherwise deal with any direct or indirect interest or investment in the Target Company.

## **Termination**

In the event that no definitive agreement is entered into by the relevant parties within 60 days of the signing of the MOU (or extended period as may be mutually agreed between Vendor and the Company by entering into supplemental memorandum of understanding), Vendor shall immediately and unconditionally refund the Earnest Money to the Company and the MOU shall be automatically terminated.

## **Governing Law**

The MOU shall be governed and construed in accordance with the laws of the Kingdom of Thailand.

## **INFORMATION ABOUT TARGET COMPANY AND VENDOR**

The Target Company was established in 2010 and provides air transportation for passenger and cargo in Asia Pacific region. Their airline was based in Donmueang international airport of Bangkok.

Vendor is a company incorporated under the laws of the Republic of Seychelles, the principal business of which is investment holding.

## **REASONS FOR THE ENTERING OF THE MOU**

The Company is a company incorporated in the Cayman Islands and listed on the Main Board of the Hong Kong Stock Exchange. The principal businesses of the Group include the manufacturing and sale of packaging products, securities trading and other investing activities, ticketing agency business and money lending business. The Company is pursuing opportunities to diversify its sources of income so as to improve the Group's financial status in the long term. Based on the information made available to the Directors, the Target Company owned 2 Boeing 737-300 aircrafts and 2 Boeing 737-800 aircrafts respectively. The Proposed Acquisition will enable (i) the development of the Group's aviation business in Asia region; and (ii) the enhancement of the competitiveness of the Group in the aviation industry in Asia, which the Board considers would be beneficial to and in the interests of the Company and the Shareholders as a whole.

**The Proposed Acquisition may or may not proceed. Shareholders and investors are reminded to exercise caution when dealing in the Shares. The Proposed Acquisition, if materialises, may constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. Should (i) the Company (or its subsidiaries) enters into the Formal Agreement; (ii) decides not to proceed with the transactions contemplated under the MOU or (iii) there be any material development on the Proposed Acquisition, the Company will inform the Shareholders and investors by way of announcement(s) in accordance with the Listing Rules as and when appropriate.**

## **DEFINITIONS**

“Board”	the board of Directors
“Company”	Sino Haijing Holdings Limited, a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Connected Persons”	has the meaning as ascribed under the Listing Rules

“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administration Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the memorandum of understanding dated 23 November 2016 entered into between the Company and Vendor in relation to the Proposed Acquisition
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Proposed Acquisition”	the proposed acquisition by the Company of the Sale Shares
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Shares”	49% of the entire issued share capital of the Target Company
“Share(s)”	the ordinary share(s) of HK\$0.0125 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Siam Air Transport Co., Ltd., a limited company incorporated under the law of the Kingdom of Thailand
“Vendor”	Splendid Stram Limited, a company incorporated under the laws of the Republic of Seychelles
“%”	per cent

In this announcement, amounts denominated in RMB have been converted into HK\$ at the exchange rate of RMB1 to HK\$1.13, for illustration purpose only. Such translations should not be interpreted as a representation that the amounts have been, could have been or could be, converted at any particular rate at all.

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

Hong Kong, 23 November 2016

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