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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)

DISCLOSEABLE TRANSACTION ACQUISITION OF 80% SHAREHOLDING IN GOLDEN TRUTH ENTERPRISES LIMITED

THE ACQUISITION

On 8 April 2016, the Purchaser (a wholly-owned subsidiary of the Company) entered into the Sale and Purchase Agreement with the Vendor pursuant to which the Vendor has agreed conditionally to sell, and the Purchaser has conditionally agreed to purchase the Sale Shares (representing 80% of the issued share capital of the Target Company) at the Consideration of HK\$138,000,000.

The Target Company is wholly-owned by the Vendor as at the date of this announcement. Immediately upon Completion, the Target Group will become indirect non-wholly-owned subsidiaries of the Company and the financial results of the Target Group will be consolidated into the consolidated financial statements of the Company.

LISTING RULES IMPLICATIONS ON THE ACQUISITION

As one of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition therefore constitutes a discloseable transaction for the Company and is subject to reporting and announcement requirements but exempt from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

THE SALE AND PURCHASE AGREEMENT

Date: 8 April 2016

Parties: Vendor: Jumbo Venus Limited

Purchaser: Click Smart Limited, a wholly-owned subsidiary of the Company

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendor and its ultimate beneficial owner are Independent Third Parties.

Pursuant to the Sale and Purchase Agreement, the Purchaser has conditionally agreed to purchase and the Vendor has conditionally agreed to sell the Sale Shares, representing 80% of the issued share capital of the Target Company, at the consideration of HK\$138,000,000.

Assets to be acquired

The Sale Shares, being 80 shares of US\$1 each in the share capital of the Target Company, representing 80% of the issued share capital of Target Company.

Consideration

The Consideration payable to the Vendor for the Sale Shares shall be HK\$138,000,000.00 (One Hundred and Thirty-Eight Million Hong Kong dollars).

The Consideration shall be payable by the Purchaser to the Vendor or its nominated person as follows:

- (a) as to HK\$40,000,000 in cash as Earnest Money upon the Purchaser's receipt of the duly executed Golden Truth Share Mortgage and Sharp Full Share Mortgage and the documents required to be delivered to the Purchaser thereunder and the evidence showing that both the Golden Truth Share Mortgage and the Sharp Full Share Mortgage have been duly registered with the respective registrar of corporate affairs/companies in the British Virgin Islands and in Hong Kong; and
- (b) as to HK\$98,000,000 either, at the absolute discretion of the Purchaser in cash or by the Company's issue of a promissory note (with the maturity date falling on the second anniversary day of its date of issue and an interest at the rate of 2% per annum payable annually) in the amount of HK\$98,000,000 in favour of the Vendor or its nominated person upon Completion.

The Consideration was arrived at after arm's length negotiations between the Vendor and the Company after taking into account, among others, (i) the growing market value of Dongxing Pingfeng Yulin; (ii) the potential business development opportunity of the Target Group; and (iii) the preliminary appraised value of the Target Group of HK\$175 million) as at 31 March 2016 adopting cost approach using depreciated replacement cost method prepared by Witz International Consultants Group Ltd., an independent professional valuer (the “**Independent Valuer**”).

Conditions Precedent

Completion of the Acquisition is conditional upon the fulfillment of the following conditions on or before the Long Stop Date:

- (a) the Purchaser being satisfied with the result of its financial, legal and business due diligence conducted on the Target Group;
- (b) all necessary consents, licences and approvals required to be obtained on the part of the Vendor and the Target Group in respect of the Sale and Purchase Agreement and the transactions contemplated thereby have been obtained and remain in full force and effect;
- (c) all necessary consents, licences and approvals required to be obtained on the part of the Purchaser in respect of the Sale and Purchase Agreement and the transactions contemplated thereby have been obtained and remain in full force and effect;
- (d) the representations, warranties and undertakings given by the Vendor have remained true and accurate in all respects and not misleading;
- (e) the Purchaser having obtained a legal opinion (in the form and substance to the reasonable satisfaction of the Purchaser) from the PRC legal adviser appointed by the Purchaser in respect of the transactions contemplated under the Sale and Purchase Agreement, including but not limited to the due incorporation and subsistence of, and the ownership of the equity interest in, Shenzhen Fengwang and Dongxing Pingfeng Yulin, the legality of the business conducted by Shenzhen Fengwang and Dongxing Pingfeng Yulin;

- (f) the Purchaser having obtained the valuation report (in the form and substance satisfactory to the Purchaser) from an independent professional valuer appointed by the Purchaser with the valuation of the Target Group of not less than HK\$175 million; and
- (g) the Purchaser being reasonably satisfied that there has not been any material adverse change on the Target Group since the date of the Sale and Purchase Agreement.

The Purchaser may in its absolute discretion at any time waive any of the Conditions (a), (d) and (g).

If any of the Conditions have not been fulfilled or waived (as the case may be) by the Long Stop Date, the Sale and Purchase Agreement shall be terminated and neither party to the Sale and Purchase Agreement shall have any liability thereunder, save and except any antecedent breaches.

If Sale and Purchase Agreement is terminated for whatsoever reason, the Vendor shall repay the Earnest Money of HK\$40,000,000 in full (without interest) to the Purchaser within 2 business days thereafter. Within 10 business days after the Purchaser's actual receipt of the Earnest Money, the Purchaser shall release and discharge both the Golden Truth Share Mortgage and the Sharp Full Share Mortgage.

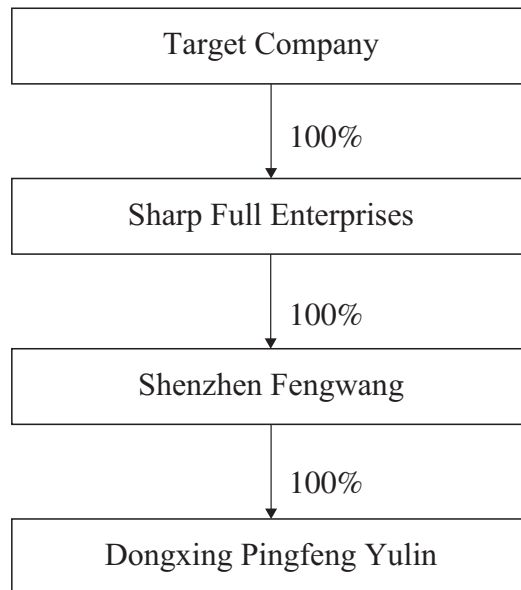
Completion

Subject to the fulfilment or waiver (as the case maybe) of the Conditions (a) to (g) set out above, Completion shall take place on the Completion Date.

Upon Completion, the Company will own 80% shareholding in the Target Company and the financial results the Target Group will be consolidated into the Company's consolidated financial statements.

INFORMATION ON THE TARGET COMPANY

The Target Company is a company incorporated in the British Virgin Islands on 28 September 2015 with limited liability and is wholly and beneficially owned by the Vendor. The Target Company is principally engaged in investment holding. Save for its investment in 100% shareholding in Sharp Full Enterprises, the Target Company has no any other business activities since its incorporation. Set out below is the corporate structure of the Target Group:



Sharp Full Enterprises is a company incorporated in Hong Kong on 14 October 2015 with limited liability and is wholly-owned by the Target Company. Sharp Full Enterprises is principally engaged in investment holding. Save for its investment in 100% equity interest in Shenzhen Fengwang, Sharp Full Enterprises has no any other business activities since its incorporation.

Shenzhen Fengwang is a company incorporated in the PRC on 23 December 2015 with limited liability and is wholly-owned by Sharp Full Enterprises. Shenzhen Fengwang is principally engaged in tourism development business. Since the incorporation of Shenzhen Fengwang, it has no material assets and liabilities and has not generated any revenue or profit.

Dongxing Pingfeng Yulin is a company incorporated in the PRC on 7 March 2013 with limited liability and is wholly-owned by Shenzhen Fengwang. Dongxing Pingfeng Yulin is principally engaged in scenic spot investment & management business etc. Since the incorporation of Dongxing Pingfeng Yulin, it has not generated any revenue or profit.

	For the year end 31 December	
	2014	2015
	(unaudited)	(unaudited)
	<i>RMB</i>	<i>RMB</i>
Revenue	–	–
Net profit before tax	(790,159.27)	(1,193,844.60)
Net profit after tax	(790,159.27)	(1,193,844.60)

	As at 31 December	
	2014	2015
	(unaudited)	(unaudited)
	<i>RMB</i>	<i>RMB</i>
Net asset value	5,100,065.10	5,109,136.85

REASONS FOR AND BENEFITS OF THE ACQUISITION

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

Based on the information provided by the Vendor and the public information, Dongxing Pingfeng Rainforest Scenic Spot (東興屏峰雨林景區) is located at Dongxin County in the southern part of Guangxi Province neighboring Vietnam in the west. Dongxin County covers an area of about 590 sq km and has a total population of about 300,000, renowned for its natural landscape and scenic beauty, and most important of all, longevity of local inhabitants, the (National Tourism Scenic Spot Quality Grading Assessment Committee) has granted the Subject Asset the status of “4A-Category” scenic spot.

The scope of business includes scenic spots investment, outdoor activities organisation, production and launch of advertisement, plantation of potato, oil seeds, beans and forestation, the business plan also includes hot spring villas in constructing deem to attract more traveler to visit the site.

To better manage the business risk and to diversify the business of the Company, the Board has been considering and exploring for appropriate opportunities for different investment projects. Considering the prosperity of the tourism industry in Guangxi and the potential

business development, the Board is optimistic about the Acquisition and is of the view the Acquisition is an attractive opportunity for the Group to enhance its business portfolio in the tourism industry.

The Board believes that the Acquisition will enable the Company to broaden the income source and strengthen its asset base.

In consideration of the above, the Board considers that the terms of the Sale and Purchase Agreement are normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As one of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but is less than 25%, the Acquisition therefore constitutes a discloseable transaction for the Company and is subject to reporting and announcement requirements but exempt from Shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Sale Shares pursuant to the Sale and Purchase Agreement
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are generally open for business
“Company”	Sino Haijing Holdings Limited, a company incorporated in the Cayman Islands with limited liability and its issued Shares are listed on the main board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with terms and conditions of the Sale and Purchase Agreement

“Completion Date”	the date on which the Completion shall take place and such day shall fall within 10 Business Days after all the Conditions shall have been fulfilled or waived (or such other date as may be agreed between the Purchaser and the Vendor)
“Conditions”	conditions precedent to the Completion pursuant to the Sale and Purchase Agreement
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	HK\$138,000,000, being the aggregate consideration for the Acquisition
“Director(s)”	the director(s) of the Company
“Dongxing Pingfeng Yulin”	Dongxing Pingfeng Rainforest Scenic Spot Investment Company Limited* (東興屏峰雨林景區投資有限公司), a company incorporated in the PRC on 7 March 2013 with limited liability
“Earnest Money”	the refundable Earnest Money in sum of HK\$40,000,000 payable by the Purchaser to the Vendor or its nominated person
“Golden Truth Share Mortgage”	the share mortgage (in the form designated by the Purchaser) duly executed by the Vendor in favour of the Purchaser in respect of the entire issued share capital of Target Company for securing the repayment of the Earnest Money
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	third party independent of and not connected with the Company and its connected persons

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	the date falling 6 months after the signing of the Sale and Purchase Agreement
“PRC”	the People’s Republic of China, and for the purpose of this announcement, which shall exclude Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan
“Purchaser”	Click Smart Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Sale and Purchase Agreement”	the agreement dated 8 April 2016 entered into between the Vendor and the Purchaser in relation to the sale and purchase of the Sale Shares
“Sale Shares”	80 shares of the Target Company, representing 80% of the total issued share capital of the Target Company as at the date of this announcement and at Completion
“Share(s)”	ordinary shares of HK\$0.0125 each in the issued and unissued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Sharp Full Enterprises”	Sharp Full Enterprises Limited* (豐旺企業有限公司), a company incorporated in Hong Kong on 14 October 2015 with limited liability
“Sharp Full Share Mortgage”	the share mortgage (in the form designated by the Purchaser) duly executed by the Target Company in favour of the Purchaser in respect of the entire issued share capital of Sharp Full Enterprises for securing the repayment of the Earnest Money

“Shenzhen Fengwang”	Shenzhen Fengwang Cultural Development Company Limited* (深圳豐旺文化發展有限公司), a company incorporated in the PRC on 23 December 2015 with limited liability
“Target Company”	Golden Truth Enterprises Limited, a company incorporated in the British Virgin Islands on 28 September 2015 with limited liability and is wholly owned by the Vendor
“Target Group”	the Target Company, Sharp Full Enterprises, Shenzhen Fengwang and Dongxing Pingfeng Yulin
“Vendor”	Jumbo Venus Limited, a company incorporated in the British Virgin Islands with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of PRC
“%”	per cent

By order of the Board
Sino Haijing Holdings Limited
Li Zhenzhen
Chairman

Hong Kong, 8 April 2016

* *For identification purposes only*

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, Ms. Hu Jianping and Mr. Wang Xin as executive Directors; Mr. Wei Liyi 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>.