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中國金洋集團有限公司
CHINA GOLDJOY GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1282)

CLARIFICATION ANNOUNCEMENT

The Company notes that certain media reports have alleged that the Company had not made full disclosure regarding its holding in New Sports Group Limited (stock code 299) and Bank of Zhengzhou Co., Ltd. (stock code 6196). Such allegation is incorrect and the Company wishes to clarify as follows.

- (1) China Goldjoy Credit Limited (previously known as KB Credit Limited) (the “**Lender**”) is a 80%-owned subsidiary of the Company. The Lender is licensed under Hong Kong law to carry on the lending business. The Lender is principally engaged in the provision of financing supported by security in shares and property mortgage.
- (2) On 16 June, 2016, the Lender entered into a loan agreement with Amuse Peace Limited and Mr Zhang Xiaodong as guarantor. The relevant loan is secured by shares in New Sports Group Limited (stock code 299). The Company has previously made an announcement on this loan.
- (3) The Lender has also entered into loan agreements with other borrowers. These loans are secured by a charge over the shares in Bank of Zhengzhou Co., Ltd. (stock code 6196). The relevant borrowers have placed these shares in their accounts with China Goldjoy Securities Limited (previously known as China Yinsheng Securities Limited).
- (4) The loan agreements referred to in paragraphs (2) and (3) above have been entered into on commercial terms which are fair and reasonable to the Company and its shareholders as a whole.

- (5) Under the Securities and Futures Ordinance of Hong Kong (Cap. 571 of the laws of Hong Kong) (the “**Ordinance**”), the Lender is required to disclose its security interest in shares in Bank of Zhengzhou Co., Ltd. and New Sports Group Limited if the proportion that the shares that are subject to the share charge bear to the issued shares of the relevant company reaches or exceeds the threshold prescribed under the Ordinance. As a result, China Goldjoy Securities Limited (previously known as China Yinsheng Securities Limited) has disclosed its security interest in Bank of Zhengzhou Co., Ltd. and New Sports Group Limited. When the relevant loan is repaid, the related share charge will be released and there will be corresponding changes in the disclosure of the Company’s interest in the relevant shares. The Company was never engaged in acquiring the relevant shares, increasing its stake, reducing its stake and then re-increasing its stake as alleged in certain media reports.

By order of the board
China Goldjoy Group Limited
Yao Jianhui
Chairman and Chief Executive Officer

Hong Kong, 12 December 2016

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Yao Jianhui, Mr. Shao Zuosheng and Mr. Li Minbin; one non-executive director, namely Mr. Huang Wei; and three independent non-executive directors, namely Mr. Wong Chun Bong, Professor Lee Kwok On, Matthew, and Mr. Lee Kwan Hung.