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罕王  
HANKING

**CHINA HANKING HOLDINGS LIMITED**

**中國罕王控股有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**(Stock code: 03788)**

## **ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE**

On 17 May 2017 (after trading hours), the Company entered into a subscription agreement with the Investor, pursuant to which the Company has agreed to issue and the Investor has agreed to subscribe for the Convertible Bonds in the principal amount of HK\$30,000,000.

The Convertible Bonds carry the Conversion Rights to convert into Conversion Shares at the Conversion Price of HK\$1.45 per Conversion Share (subject to adjustment). As at the date of this announcement, the Company has a total of 1,830,000,000 Shares in issue. Assuming (i) there is no further allotment and issue or repurchase of the Shares; and (ii) there is full conversion of the Convertible Bonds at the initial Conversion Price of HK\$1.45 per Conversion Share, the Convertible Bonds will be convertible into 20,689,655 Conversion Shares, representing approximately 1.13% of the existing issued share capital of the Company as at the date of this announcement and approximately 1.12% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares.

The Conversion Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the annual general meeting of the Company held on 27 May 2016. The allotment and issue of the Conversion Shares is not subject to the approval of the Shareholders.

**Completion of the issue and the subscription of the Convertible Bonds is subject to fulfillment, and/or waiver, of certain conditions stated in the Subscription Agreement. In addition, the Subscription Agreement may be terminated upon the occurrence of certain events. Please refer to the section headed “The Subscription Agreement” in this announcement for further information. As the issue and the subscription of the Convertible Bonds may or may not be completed, Shareholders and prospective investors are reminded to exercise caution when dealing in the Shares.**

## **THE SUBSCRIPTION AGREEMENT**

On 17 May 2017 (after trading hours), the Company entered into the Subscription Agreement with the Investor, pursuant to which the Company has conditionally agreed to issue and the Investor has conditionally agreed to subscribe for the Convertible Bonds.

### **Date**

17 May 2017

### **Parties**

- (i) the Company, as issuer;
- (ii) Mr. Yang, as guarantor; and
- (iii) the Investor, as subscriber.

### **Conditions precedent**

Completion of the subscription and the issuance of the Convertible Bonds is conditional upon the completion and/or waiver of the following conditions precedent to the reasonable satisfaction of the Investor by the Long Stop Date:

- (a) the receipt by the Investor of a written confirmation issued by the Company to confirm as of Completion, among other things, each member of the Group is not in any violation, breach or default of any term or provision of any material contract or agreement, all relevant permits, licenses, consents and approvals which are necessary for the conduct of business are obtained and maintained, the Company has performed and complied with, in all material respects all agreements, obligations and conditions in the Subscription Agreement, the Company has obtained all relevant consents, approvals and ratifications which are necessary for the entering into of and implementation of the Transaction Documents relating to the issue of the Convertible Bonds and the net asset value of the Group as at Completion shall not be less than RMB800,000,000;
- (b) the Listing Committee of the Stock Exchange having granted the approval for the listing of and permission to deal in the Conversion Shares to be issued pursuant to the Convertible Bonds;
- (c) the passing of a resolution by the Board to approve, confirm and/or ratify, among other things, the execution, delivery and performance of the Subscription Agreement and other Transaction Documents to which the Company is a party and the transactions contemplated under the Subscription Agreement and the issuance of the Convertible Bonds

- (d) all necessary statutory, governmental and regulatory obligations having been complied with and all necessary statutory, governmental, regulatory and third party consents and waivers in relation to the transactions contemplated under the Transaction Documents having been obtained and all necessary filings have been made by each of the Company and the Guarantor;
- (e) no material adverse change has occurred;
- (f) all warranties in the Subscription Agreement shall be true and accurate in all material respect and not misleading as if repeated at Completion and at all times between the date of the Subscription Agreement and the Completion; and there shall not have occurred any event which will trigger a change of control in the Company;
- (g) the Company having duly performed and observed all of the obligations, undertakings, covenants and agreements required to be performed and observed by it under the Subscription Agreement prior to Completion; and
- (h) the current listing of the Shares not having been withdrawn, the Shares continuing to be traded on the Stock Exchange prior to and upon the Completion Date (save for any temporary suspension for no longer than 5 consecutive Trading Days or such longer period as the Investor may agree, or the suspension required for the clearance of announcement or circular under the Listing Rules or the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) or other relevant rules and regulations) and neither the Stock Exchange nor the SFC having indicated that either one of them will object to such continued listing for reasons related to or arising from the transactions contemplated herein.

Save and except for condition (b) above, the Investor shall have the right to waive any of the Conditions and shall have the right to extend the Long Stop Date by no more than 45 calendar days. If the Conditions cannot be fulfilled (or waived) on or before the Long Stop Date and Completion has not taken place by then, the Subscription Agreement and everything therein contained shall be null and void and of no effect and no party shall have any claim against the other parties under the Subscription Agreement (other than pursuant to clauses such as confidentiality and announcements, guarantee, cost and disbursements) except that the termination shall not affect the then accrued rights and liabilities of the parties and shall be without prejudice to all rights and remedies available to each party in respect of any breach by the other party of obligations under or in respect of the Subscription Agreement prior to its termination.

### **Completion of Subscription**

Completion of the Subscription Agreement and the issuance of the Convertible Bonds shall take place within 3 Business Days after the Conditions have been fulfilled or waived or at such other time as may be agreed in writing between the Company and the Investor.

## **Guarantee and Guarantor Undertaking**

As a party to the Subscription Agreement, Mr. Yang has unconditionally and irrevocably guaranteed, and pursuant to the Guarantee, Mr. Yang shall guarantee (i) the due observance and performance by the Company of all agreements, covenants, obligations, commitments, undertakings and indemnities contained in the Subscription Agreement (including but not limited to the Convertible Bonds and the terms and conditions) on the part of the Company to be observed and performed; (ii) to pay, on demand, any sum which the Company fails to pay to the Investor in accordance with the Subscription Agreement and/or the Convertible Bonds and/or its terms and conditions; and (iii) that the warranties given or provided by the Company to the Investor under the Subscription Agreement are true, accurate and correct in all material respects.

Pursuant to the Guarantor Undertaking, Mr. Yang shall unconditionally and irrevocably undertake with the Investor, among other things, that he shall, and shall procure each of Bisney Success Limited and Tuochuan Capital Limited to, maintain his aggregate shareholding in the Company at all times to 30% of the issued share in the Company carrying voting rights in general meeting or above.

Pursuant to the Subscription Agreement, the Company shall deliver the Guarantee and the Guarantor Undertaking duly executed by Mr. Yang to the Investor at Completion.

## **Principal Terms of the Convertible Bonds**

The principal terms of the Convertible Bonds are summarised as follows:

Principal amount	:	HK\$30,000,000.
Issue price	:	100% of the principal amount.
Maturity Date	:	(i) the Initial Maturity Date; or (ii) if the Investor informs the Company by providing a written notice to the Company at least 20 Business Days prior to the Initial Maturity Date to extend the maturity date, on such date falling 6 months from the Initial Maturity Date, or if it is not a Business Day, the Business Day immediately following 6 months from the Initial Maturity Date.
Conversion Price	:	HK\$1.45 per Conversion Share (subject to adjustment).
Interests	:	5% per annum.

No interest payments as made by the Company shall be refundable in full or in part to the Company irrespective of any subsequent conversion of the Convertible Bonds.

- Conversion period : The period commencing on the Issue Date and expiring on the Maturity Date.
- Conversion : The Investor has the right to convert on any Business Day during the Conversion Period, the whole or any part(s) of the principal amount of the Convertible Bonds into Shares at any time and from time to time at the Conversion Price.
- Ranking : The Convertible Bonds constitute general, unconditional, unsecured and unsubordinated obligations of the Company and shall rank equally among themselves and pari passu with all other present and future unsecured and unsubordinated obligations of the Company except for obligations accorded preference by mandatory provisions of applicable law.
- Adjustment of the Conversion Price : The Conversion Price shall from time to time be adjusted upon the occurrence of the followings:
- (i) consolidation, sub-division, re-classification or otherwise become of a different nominal amount;
  - (ii) capitalisation of profits or reserves;
  - (iii) capital distribution;
  - (iv) offer to Shareholders new Shares for subscription by way of rights, or grant to Shareholders any options, warrants or other rights to subscribe for or purchase any Shares;
  - (v) issue any Shares or issue or grant options, warrants or other rights to subscribe for, purchase or otherwise acquire Shares or any securities which by their terms are convertible into or exchangeable for or carry rights of subscription for new Shares at less than 95% of the Current Market Price on the date of announcement of the terms of such issue;
  - (vi) any modification of the rights of conversion, exchange or subscription attaching to any securities and any outstanding Convertible Bonds;
  - (vii) when the Company issue wholly for cash any Shares at a price per Share which is less than 95% of the Current Market Price at the date of the announcement of the terms of such issue;

- (viii) when the Company shall issue the Shares for the acquisition of asset at a Total Effective Consideration per Share which is less than 95% of the Current Market Price at the date of the announcement of the terms of such issue;
- (ix) when the Company issue any securities which by their terms are convertible into or exchangeable for or carry rights of subscription for new Shares for the acquisition of asset at a Total Effective Consideration initially receivable for such securities is less than 95% of the Current Market Price at the date of the announcement of the terms of such issue; and
- (x) any other events where the Company or the Investor determines that an adjustment should be made to the Conversion Price as a result of one or more events or circumstances not referred above.

Redemption : The Company shall have the right, subject to prior written consent of the Investor, to redeem the whole or any principal amount of the Convertible Bonds outstanding at the face value prior to the Maturity Date by giving the Investor not less than 7 days' notice of such intention to make such redemption.

Unless previously converted, redeemed, purchased or cancelled, the Convertible Bonds shall be redeemed by the Company on the Maturity Date at its principal amount outstanding in Hong Kong dollars upon the presentation of the original of the certificate for the Convertible Bonds to the Company.

Listing : No application shall be made for a listing of the Convertible Bonds in any jurisdiction.

Events of default : If any of the following events of default occurs and no rectification has been made within 20 Business Days thereafter, the Investor may give notice to the Company that, on giving such notice, the Convertible Bonds are immediately due and payable at the sum equal to its principal amount then outstanding and (if applicable) the interest accrued thereon or any part which remains outstanding together with default interest calculated at the rate of 2.5% per month on the basis of 30 days month and to be accrued on a daily basis:

- (i) the Shares cease to be listed on the Stock Exchange;

- (ii) the trading in the Shares has been suspended for a consecutive period of more than 5 trading days or such longer period as the investor may agree;
- (iii) the Company defaults in performance or compliance with any of its obligations contained in the conditions of the Convertible Bonds which breach or default is incapable of remedy or, if capable of remedy, is not remedied within 20 Business Days after notice of such breach or default is sent from the Investor to the Company;
- (iv) the Company breaches or defaults under the Convertible Bonds and/or the Subscription Agreement unless with prior written consent of the Investor;
- (v) an encumbrancer or a creditor takes possession or a receiver, manager or other similar officer is appointed of the whole or any material part of the undertaking, property, assets or revenues of the Company or any major subsidiary;
- (vi) the Company or any major subsidiary becomes insolvent or is unable to pay its debts as they fall due for a period of 7 days or applies for or consents to the appointment of any administrator, liquidator or receiver;
- (vii) an order is made or an effective resolution passed for winding-up of the Company or any major subsidiary;
- (viii) the Company defaults in the payment of the principal or interest in respect of the Convertible Bonds when and as the same fall due for a period of 7 days and such default is not remedied by the Company within 20 Business Days of the due date;
- (ix) any Indebtedness of the Company and any major subsidiary involving an amount exceeding RMB80,000,000 or any Equity-Linked Securities of the Company and any major subsidiary become prematurely repayable following a default in respect of the terms thereof which shall not have been remedied within 20 Business Days of such default, or the Company or any major subsidiary defaults in the repayment of the Indebtedness or Equity-Linked Securities involving an amount exceeding RMB80,000,000 at the maturity thereof or at the expiration of any applicable grace period thereof and such default is not remedied within 20 Business Days, or any

guarantee of or indemnity in respect of any Indebtedness or Equity-Linked Securities of other given by the Company or any major subsidiary shall not be honoured when due and called upon and such default is not remedied within 20 Business Days or the gearing ratio of the Group exceeds 72%;

- (x) the Company ceases or threatens to cease to carry on its business of or any substantial part thereof or change or threatens to materially change the nature or scope of its business or the Company disposes of or threatens to dispose of or any governmental or other authority expropriates or threatens to expropriates all or any substantial part of its business or assets;
- (xi) any document entered into between the Company and the Investor in connection with the Subscription Agreement or any provisions ceases for any reason to be in full force and effect, terminated, jeopardized, becomes invalid or unenforceable, any purported termination or repudiation or it becomes impossible or unlawful for the Investor to perform rights, powers and remedies thereunder or for the Investor to exercise all or any of its rights, powers and remedies thereunder and the Company fails to do or refrain from doing the activity it purported to undertake to do or not to do;
- (xii) any change, event, circumstances or other matter that has, or would reasonably be expected to have, either individually or in the aggregate, material adverse effect on the ability of the Company to perform its obligations and the business, assets and liabilities, financial condition, result of operations of the Group as a whole;
- (xiii) any proceeding initiated against the Company and/or any major subsidiary under any applicable bankruptcy, reorganization or insolvency law or any proceeding which have been initiated against the subsidiaries which constitutes material adverse change or effect;
- (xiv) the Company or any major subsidiary consolidates or amalgamates with or merge into any other corporation or the Company or any major subsidiary sells or transfers all or substantially all of its assets;
- (xv) any breach by the Guarantor of his obligations and undertakings;

(xvi) the Stock Exchange by written notice to the Company raising concerns or challenging that the Company does not have a sufficient level of operations or sufficient assets to warrant the continued listing of the Shares under rule 13.24 of the Listing Rules but the Company failed to demonstrate that the rule is being complied with to the Stock Exchange's satisfaction within 40 Business Days of such notice; or

(xvii) Mr. Yang Jiye, directly or indirectly ceases to own such number of shares in the Company which would enable him to exercise and control at least 30% of the voting rights in the share capital of the Company.

Voting rights : The Investor shall not be entitled to receive notices of, attend or vote at any meetings of the Company by reason only of it being the Investor.

Transferability : The Convertible Bonds or any part(s) thereof may be assigned or transferred at any time provided that prior written consent of the Company has been obtained or the respective assignee or transferee of the Bond Instrument is a member of the Investor's group, and such assignment or transfer shall be in compliance with the conditions of the Convertible Bonds further subject to (where applicable) the conditions, approvals, requirements and any other provisions of or under:

- (i) the Stock Exchange and the SFC or its rules and regulations; and
- (ii) the Listing Rules, the Takeovers Code and all applicable laws and regulations.

The permitted assignment or transfer of the Convertible Bonds may be in respect of the whole or any part(s) of the outstanding principal amount of the Convertible Bonds and may only be made to person(s) which are not connected persons of the Company prior to taking up the transfer or assignment of the Convertible Bonds except in accordance with the Listing Rules.

Such part of the principal amount of the Convertible Bonds to be assigned or transferred shall not be less than HK\$5,000,000 and in integral multiples of HK\$5,000,000.

## **CONVERSION PRICE**

The Conversion Price of HK\$1.45 per Conversion Share represents:

- (i) a premium of 2.11% to the closing price of HK\$1.42 per Share quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 9.19% to the average closing price of HK\$1.328 per Share quoted on the Stock Exchange for the 5 consecutive Trading Days up to and including the Last Trading Day; and
- (iii) a premium of approximately 11.20% to the average closing price of HK\$1.304 per Share quoted on the Stock Exchange for the 10 consecutive Trading Days up to and including the Last Trading Day.

The Conversion Price was determined after arm's length negotiation between the Company and the Investor and taking into account of the prevailing market prices of the Shares.

## **INFORMATION ON THE INVESTOR**

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, (i) the Investor is an investment holding company incorporated under the laws of the British Virgin Islands; and (ii) the Investor and its ultimate beneficial owner(s) are Independent Third Parties.

## **MANDATE TO ISSUE THE CONVERSION SHARES**

The Subscription Agreement and the transactions contemplated thereunder, including the allotment and issue of the Conversion Shares, will be issued pursuant to the General Mandate.

## **REASONS FOR ISSUING THE CONVERTIBLE BONDS**

The Group is principally engaged in exploitation, mining and processing of mineral resources and marketing of mineral products with principal operations on precious metals supplemented by nickel and other strategic metals.

The Investor's interest in making an investment into the Group through subscribing for the Convertible Bonds at a premium of 9.19% over the average closing price for the 5 consecutive Trading Days up to and including the Last Trading Day reflects its confidence in the Group's business, growth potential and future development. The Directors (including the independent non-executive Directors) are of the view that the raising of funds by the issue of the Convertible Bonds is fair and reasonable having considered the recent market conditions and represents an opportunity for the Company to enhance its working capital, strengthen its capital base and financial position and broaden its shareholder's base. The Directors consider that the terms of the Subscription Agreement, which were arrived at after arm's length negotiations between the Company and the Investor, are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

## USE OF PROCEEDS

The estimated net proceeds from the issue of the Convertible Bonds, after deduction of expenses payable in connection with the issue of the Convertible Bonds, will be approximately HK\$29.47 million. The Company intends to use the net proceeds from the issue of the Convertible Bonds for the development and expansion of the business and general working capital of the Group.

## SHAREHOLDING STRUCTURE

For illustration purposes only, the following table sets out the shareholding structure of the Company (a) as at the date of this announcement; and (b) immediately after the full conversion of the Convertible Bonds on the assumption that (i) there is no further allotment and issue or repurchase of the Shares; and (ii) there is full conversion of the Convertible Bonds at the initial Conversion Price of HK\$1.45 per Share.

	As at the date of this announcement		Immediately after conversion of the Convertible Bonds in principal amount of HK\$30,000,000	
	Number of Shares	Approximate %	Number of Shares	Approximate %
<b>Substantial Shareholders and Directors</b>				
China Hanking (BVI) Limited (Note 1)	586,025,000	32.023	586,025,000	31.665
Best Excellence Limited (Note 2)	13,820,166	0.755	13,820,166	0.747
Tuochuan Capital Limited (Note 3)	225,881,000	12.343	225,881,000	12.205
Bisney Success Limited (Note 4)	424,360,500	23.189	424,360,500	22.930
Splendour Ventures Limited (Note 5)	19,130,589	1.045	19,130,589	1.034
Xia Zhuo	60,000	0.003	60,000	0.003
Pan Guocheng (Note 6)	4,220,000	0.231	4,220,000	0.228
Zheng Xuezhi	2,452,000	0.134	2,452,000	0.132
<b>Sub-total:</b>	<b><u>1,275,949,255</u></b>	<b><u>69.724</u></b>	<b><u>1,275,949,255</u></b>	<b><u>68.945</u></b>
<b>Public Shareholders</b>				
The Investor and its ultimate beneficial owners	–	–	20,689,655	1.118
Public	<u>554,050,745</u>	<u>30.276</u>	<u>554,050,745</u>	<u>29.938</u>
<b>Total:</b>	<b><u>1,830,000,000</u></b>	<b><u>100</u></b>	<b><u>1,850,689,655</u></b>	<b><u>100</u></b>

*Notes:*

1. The issued shares of China Hanking (BVI) Limited are owned as to 100% by Ms. Yang Min. Thus, Ms. Yang Min is deemed to have an interest in 586,025,000 Shares held by China Hanking (BVI) Limited.
2. Ms. Yang Min serves as settlor and beneficiary of management trust which holds the entire issued share capital of Best Excellence Limited. Thus, Ms. Yang Min is deemed to have an interest in 13,820,166 Shares held by Best Excellence Limited.
3. The issued shares of Tuochuan Capital Limited are owned as to 100% by Mr. Yang. Thus, Mr. Yang is deemed to have an interest in 225,881,000 Shares held by Tuochuan Capital Limited.
4. Mr. Yang is the founder of management trust which holds the entire issued share capital of Bisney Success Limited. Thus, Mr. Yang is deemed to have an interest in 424,360,500 Shares held by Bisney Success Limited.
5. The issued shares of Splendour Ventures Limited are owned as to 54.38% by Mr. Xia Zhuo. Thus, Mr. Xia Zhuo is deemed to hold interest in 19,130,589 Shares held by Splendour Ventures Limited.
6. These shares are held jointly with Ms. Pan Guoying.

## **EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

The Company did not carry out any fund raising activity in the past 12 months immediately preceding the date of this announcement.

## **APPLICATION FOR LISTING**

Application will be made by the Company to the Stock Exchange for the grant of listing of and permission to deal in the Conversion Shares.

## **LISTING RULES IMPLICATIONS**

The Conversion Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the annual general meeting of the Company held on 27 May 2016. The allotment and issue of the Conversion Shares is not subject to the approval of the Shareholders.

**Completion of the issue and the subscription of the Convertible Bonds is subject to fulfillment, and/or waiver, of certain conditions stated in the Subscription Agreement. In addition, the Subscription Agreement may be terminated upon the occurrence of certain events. Please refer to the section headed “The Subscription Agreement” in this announcement for further information. As the issue and the subscription of the Convertible Bonds may or may not be completed, Shareholders and prospective investors are reminded to exercise caution when dealing in the Shares.**

## DEFINITIONS

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

Board	the board of Directors of the Company
Bond Principal Amount	the principal amount of the Convertible Bonds of HK\$30,000,000
Business Day	a day (other than a Saturday, Sunday, public holiday or a day on which a tropical cyclone warning No. 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.) on which banks in Hong Kong are generally open for business
Completion	the completion of the subscription of the Convertible Bonds
Condition(s)	the conditions precedent to the Completion, details of which are set out in the paragraph headed “Conditions precedent” under “The Subscription Agreement” of this announcement
Completion Date	the date on which Completion takes place
connected person(s)	has the meaning ascribed to it in the Listing Rules
Conversion Price	the price per Share at which Shares will be issued upon exercise of the Conversion Rights, such price initially being HK\$1.45 per Share, but subject to adjustment in accordance with the terms of the Convertible Bonds
Conversion Shares	new Shares falling to be allotted and issued upon exercise of the Conversion Rights attached to Convertible Bonds
Conversion Rights	the rights attached to the Convertible Bonds to convert the whole or any part(s) of the principal amount of the Convertible Bonds into Convertible Shares
Convertible Bonds	the Hong Kong Dollar convertible bonds in the principal amount of HK\$30,000,000 to be issued by the Company and to be subscribed by the Investor at Completion

Current Market Price	in respect of a Share on a particular date, the average closing price of a Share quoted on the daily quotation sheet of the Stock Exchange for the 5 consecutive Trading Days immediately preceding such date
Directors	directors of the Company
Equity-Linked Securities	securities convertible into or exchangeable for shares
General Mandate	the general mandate granted by the Shareholders at the annual general meeting of the Company held on 27 May 2016 to the Directors to allot and issue up to 20% of the then total number of Shares in issue as at the date of the annual general meeting
Group	the Company and its subsidiaries
Guarantee	a personal guarantee to be given and executed by Mr. Yang as guarantor in favour of the Investor
Guarantor Undertaking	a deed of undertaking to be given and executed by Mr. Yang in favour of the Investor
Hong Kong	the Hong Kong Special Administrative Region of the PRC
Independent Third Party(ies)	third party(ies) independent of the Company and its connected persons and not otherwise a connected person(s) of the Company
Indebtedness	debentures, bonds, notes or other instruments or indebtedness or any other loan indebtedness
Initial Maturity Date	such day falling 6 months from the Issue Date or if it is not a Business Day, the Business Day immediately following 6 months from the Issue Date
Investor	Autumn Gate Holdings Limited, a company incorporated under the laws of the British Virgin Islands
Issue Date	the date of issue of the Convertible Bonds

Last Trading Date	17 May 2017, being the last trading day before the publication of this announcement
Listing Committee	has the same meaning ascribed thereto in the Listing Rules
Listing Rules	the Rules Governing the Listing of Securities on the Stock Exchange
Long Stop Date	the date of 45 calendar days from the date of the Subscription Agreement or such other date as may be agreed in writing by the Company and the Investor
Maturity Date	the Initial Maturity Date or, if extended, the extended maturity date
Mr. Yang	Mr. Yang Jiye, the Chairman and executive Director
PRC	the People's Republic of China
RMB	Renminbi, the lawful currency of the PRC
SFC	the Securities and Futures Commission
Shareholders	the holders of Shares
Share(s)	ordinary share(s) of HK\$0.1 each in the issued share capital of the Company
Stock Exchange	The Stock Exchange of Hong Kong Limited
Subscription	the subscription for the Convertible Bonds by the Investor pursuant to the Subscription Agreement
Subscription Agreement	the subscription agreement dated 17 May 2017 and entered into between the Company, the Guarantor and the Investor in respect of the Subscription
Takeovers Code	Hong Kong Code on Takeovers and Mergers
Total Effective Consideration	fair value of the asset(s) to be acquired, such value to be determined by a professional independent third party valuer or the auditors of the Company or an approved financial advisor

Trading Day(s)	a day when the Stock Exchange is open for dealing business and on which the Shares or other securities may be dealt in (other than a day on which the Stock Exchange is scheduled to or closes prior to its regular closing time)
Transaction Documents	the Subscription Agreement, the Convertible Bonds, the Guarantor Undertaking and the Guarantee
%	per cent.

By order of the Board  
**China Hanking Holdings Limited**  
**Yang Jiye**  
*Chairman and executive Director*

18 May 2017, Shenyang, the PRC

*As at the date of this announcement, the executive Directors are Mr. Yang Jiye, Dr. Pan Guocheng, Mr. Zheng Xuezhi, Dr. Qiu Yumin and Mr. Xia Zhuo; the non-executive Director is Mr. Kenneth Jue Lee; and the independent non-executive Directors are Mr. Wang Ping, Dr. Wang Anjian and Mr. Ma Qingshan.*