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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)

MAJOR TRANSACTION IN RELATION TO THE POSSIBLE DISPOSAL OF ICPS IN YONG TAI BERHAD

THE DISPOSAL MANDATE

As at the date of this announcement, the Group (through the Vendor) held 140,000,000 ICPS. The Directors propose to obtain the Disposal Mandate from the Shareholders for the possible disposal of up to 140,000,000 ICPS held by the Group.

The Disposal Mandate shall be conditional upon the approval by the Shareholders at the EGM. For the details of the Disposal Mandate, please refer to the section headed “THE DISPOSAL MANDATE” of this announcement.

LISTING RULES IMPLICATIONS

The Disposal Mandate, aggregate with previous disposals of YTB Shares and ICPS, constitutes a major transaction of the Company as one or more of the applicable percentage ratios is 25% but less than 75%, and is therefore subject to the relevant reporting, announcement requirement and Shareholders’ approval requirement under Chapter 14 of the Listing Rules.

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the grant of the Disposal Mandate. The aforesaid approval shall be obtained by way of a poll. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Disposal Mandate; therefore, no Shareholder is required to abstain from voting for the resolution to approve the Disposal Mandate at the EGM.

A circular containing, among other things, further details of the Further Disposal and the grant of the Disposal Mandate, together with a notice convening the EGM will be despatched to the Shareholders as soon as practicable.

Shareholders and investors should note that (i) the grant of the Disposal Mandate is subject to Shareholders' approval at the EGM and therefore the Further Disposal may not be proceeded; and (ii) there is no assurance that the Company will proceed with the Further Disposal after the grant of the Disposal Mandate as the Further Disposal is subject to the conditions as set out under the paragraph headed "Manner of the Further Disposal" of the announcement. As such, Shareholders and investors are urged to exercise caution when dealing in the Shares.

THE DISPOSAL MANDATE

References are made to the announcements of the Company dated 9 May 2017, 24 May 2017, 13 June 2017 and 14 June 2017 related to the disposals of an aggregate of 150,000,000 YTB Shares for a total consideration of RM165,000,000 (equivalent to approximately HK\$300,300,000) and the disposal of an aggregate of 60,000,000 ICPS for a total consideration of RM54,000,000 (equivalent to approximately HK\$98,280,000).

As at the date of this announcement, the Group (through the Vendor) held 140,000,000 ICPS. The Directors propose to obtain the Disposal Mandate from the Shareholders for the possible disposal of up to 140,000,000 ICPS held by the Group.

Period of the Disposal Mandate

12 months from the date on which the Disposal Mandate is approved by the Shareholders at the EGM.

Maximum number of ICPS to be disposed of under the Disposal Mandate

Up to 140,000,000 ICPS held by the Group, represent all of the ICPS held by the Group as at the date of this announcement.

Manner of the Further Disposal

The Further Disposal under the Disposal Mandate will be conducted on open market transactions on the Main Market of Bursa Malaysia Securities Berhad.

In deciding to effect the Further Disposal, the Directors will take into account the current market sentiment and the prevailing market prices of the ICPS. The Further Disposal will be effected on the following conditions:

- (a) the Further Disposal will be conducted on normal commercial terms and will be fair and reasonable and in the interests of the Company and the Shareholders as a whole;
- (b) the price of the Further Disposal will be received in cash; and
- (c) the selling price of each ICPS will be not less than either of (i) the average closing price of ICPS for the 5 consecutive Trading Days (where the trading of the ICPS is suspended on any Trading Day for the whole day, the closing price on the Trading Day immediately prior to such suspension shall be deemed as the closing price of the ICPS on such Trading Day) immediately prior to the Trading Day on which the relevant Further Disposal is effected (the “**Benchmark Price**”); or (ii) the average selling price of the aggregate 60,000,000 ICPS sold on 13 June 2017 and 14 June 2017, being RM0.90 for each ICPS (the “**Previous Selling Price**”), which is higher than the Acquisition Cost of RM0.80 for each ICPS.

Since the Further Disposal is to be effected on open market, the identity of the counterparty to the Further Disposal cannot be ascertained.

Monthly reporting of the Further Disposal

To keep the Shareholders and the investing public informed on the progress of the Further Disposal, the Company will publish an announcement within five Trading Days after the end of each month, starting from the month on which the Disposal Mandate is approved by the Shareholders until all of the ICPS held by the Group have been disposed of or the last day of the 12-month period from the date on which the Disposal Mandate is approved by the Shareholders, whichever is earlier.

Condition precedent

The Disposal Mandate shall be conditional upon the approval by the Shareholders at the EGM.

In the event that the Disposal Mandate is not approved by the Shareholders at the EGM, the Company is only able to dispose of such number of the ICPS which constitutes a discloseable transaction of the Company under the Listing Rules.

Capital restructuring of the ICPS

If and when there shall be any alteration to the nominal value of the ICPS as a result of consolidation, subdivision or reclassification, or issue of new ICPS to the Group by way of capitalisation of profits or reserves during the 12-month period of the Disposal Mandate, the number of the ICPS to be disposed of under the Disposal Mandate shall be adjusted accordingly.

Financial effects of the Further Disposal

As the average closing price of the ICPS for the 5 consecutive Trading Days immediately prior to the date of this announcement is RM0.98, which is higher than the Previous Selling Price of RM0.90, the Benchmark Price of RM0.98 is used for illustrating the financial effects of the Further Disposal. On the basis that all ICPS are disposed of at the Benchmark Price of RM0.98, the Group will record a gain on the Further Disposal (after brokerage fee) of approximately RM24,994,200 (equivalent to approximately HK\$45,489,444) which is the difference between the Benchmark Price of RM0.98 and RM0.80, being the Acquisition Cost of each ICPS. The gross proceeds (after brokerage fee) from the Further Disposal will be approximately RM136,994,200 (equivalent to approximately HK\$249,329,444).

INFORMATION OF YONG TAI

Yong Tai is a public company listed on the Main Market of Bursa Malaysia Securities Berhad. Yong Tai and its subsidiaries are principally engaged in the business of property development.

According to the published financial statements of Yong Tai, the financial results of Yong Tai for the two years ended 30 June 2015 and 2016 are as follows:

	For the year ended 30 June 2015 (Audited) RM	For the year ended 30 June 2016 (Audited) RM
Turnover	66,462,571	30,168,185
Net profit/(loss) before tax	3,167,443	11,557,786
Net profit/(loss) after tax	1,842,899	9,950,486

The audited consolidated net assets of Yong Tai as at 30 June 2016 was RM87,850,132 (equivalent to approximately HK\$159,887,240).

INFORMATION OF THE VENDOR AND THE COMPANY

The Vendor is a company incorporated with limited liability in Hong Kong and a wholly-owned subsidiary of the Company, whose principal business is investment holding.

The Company is a company incorporated in the Cayman Islands and listed on the Main Board of the Stock Exchange. The Group is principally engaged in the manufacture and sale of packaging materials in the PRC, securities trading and other investing activities, ticketing agency business and money lending business.

REASONS FOR THE DISPOSAL MANDATE AND USE OF PROCEEDS FROM THE FURTHER DISPOSAL

The 150,000,000 YTB Shares and 200,000,000 ICPS was originally acquired by the Group at the price of RM0.80 each as a long-term and strategic investment which the Directors believed that it would provide a reasonable strategic investment opportunity for the Company and enable the Group to generate sustainable and attractive returns for the Shareholders.

However, during the period between the March to May 2017, the Group was approached by the purchasers of the 150,000,000 YTB Shares who had provided very attractive offers at the price of RM1.10 for each YTB Share. Therefore, the Board considered that the Previous Disposals provided the Company with a good opportunity to realize its investment in Yong Tai and enhance the cash flow of the Group. As a result, the Group disposed of all the YTB Shares that it subscribed from Yong Tai.

Since the Group no longer holds any YTB Shares (which carry voting rights at the general meetings of Yong Tai), the Board considers that the Group should also dispose of the ICPS (which do not carry any voting rights at the general meetings of Yong Tai, save for a few exceptional circumstances) that the Group has subscribed when opportunities arise.

On 13 June 2017 and 14 June 2017, the Vendor respectively sold 47,133,000 and 12,867,000 ICPS through its securities broker on the Main Market of Bursa Malaysia Securities Berhad at the price of RM0.90 for each ICPS, details of which were disclosed in the Company's announcement dated 13 June 2017 and 14 June 2017.

Subsequently, the Company intends to dispose of the remaining 140,000,000 ICPS on open market from time to time in order to realise the Group's investment in Yong Tai. However, a disposal (or series of disposals) of the entire 140,000,000 ICPS, aggregate with previous disposals of YTB Shares and ICPS, constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and requires Shareholders' approval in a general meeting of the Company.

Given the volatility of the stock market, disposing of the ICPS at the best possible price requires prompt actions at the right timing and it is not practicable to seek Shareholders' approval for each disposal of such number of ICPS. Therefore, the Company intends to obtain the Disposal Mandate from the Shareholders in order to enable the Group to dispose of its ICPS in an effective and efficient manner. The Directors are of the view that the Disposal Mandate provides flexibility with the Group during the 12-month period to act promptly, effectively and efficiently to dispose of its ICPS at the appropriate time and at the appropriate prices in order to maximise the return to the Group. As such, the Directors consider that the Disposal Mandate is fair and reasonable and in the interest of the Company and the Shareholders as a whole.

The net proceeds from the Further Disposal are intended to be used for general working capital of the Group.

Upon completion of the disposal of all the ICPS, the Group will no longer hold any YTB Share and ICPS.

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The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the grant of the Disposal Mandate. The aforesaid approval shall be obtained by way of a poll. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder has a material interest in the Disposal Mandate; therefore, no Shareholder is required to abstain from voting for the resolution to approve the Disposal Mandate at the EGM.

A circular containing, among other things, further details of the Further Disposal and the grant of the Disposal Mandate, together with a notice convening the EGM will be despatched to the Shareholders as soon as practicable.

Shareholders and investors should note that (i) the grant of the Disposal Mandate is subject to Shareholders' approval at the EGM and therefore the Further Disposal may not be proceeded; and (ii) there is no assurance that the Company will proceed with the Further Disposal after the grant of the Disposal Mandate as the Further Disposal is subject to the conditions as set out under the paragraph headed "Manner of the Further Disposal" of the announcement. As such, Shareholders and investors are urged to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context otherwise required, the following terms and expressions shall have the following meanings when used herein:

"Acquisition Cost"	RM0.80, being the acquisition cost per ICPS as disclosed on page 8 of the Company's circular dated 26 July 2016
"Board"	the board of Directors
"Company"	Sino Haijing Holdings Limited (stock code: 1106), a company incorporated in the 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 to it under the Listing Rules
"Director(s)"	the director(s) of the Company
"EGM"	an extraordinary general meeting of the Company to be convened and held to consider, and if thought fit, to approve, among other things, the Disposal Mandate
"Further Disposal"	the possible disposal of up to 140,000,000 ICPS owned by the Group under the Disposal Mandate
"Disposal Mandate"	the 12-month mandate to be granted by the Shareholders to the Directors for the Further Disposal
"Group"	the Company and its subsidiaries

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“ICPS”	the irredeemable convertible preference shares of RM0.80 each in Yong Tai
“Independent Third Party(ies)”	third party(ies) independent of the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	People’s Republic of China
“Previous Disposals”	the Vendor’s disposals of, in aggregate, 150,000,000 YTB Shares for a total consideration of RM165,000,000 (equivalent to approximately HK\$300,300,000) pursuant to sale and purchase agreements respectively dated 27 March 2017, 27 April 2017 and 9 May 2017, details of which were disclosed in the Company’s announcements dated 9 May 2017 and 24 May 2017
“RM” and “Sen”	Malaysian Ringgit and Sen, the lawful currency of Malaysia
“Share(s)”	ordinary shares of HK\$0.0125 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trading Day(s)”	a day on which the Main Market of Bursa Malaysia Securities Berhad is open for trading of securities (and whether or not ICPS are suspended from trading for whole or part of such day)
“Vendor”	Impression Culture Asia Limited, a company incorporated with limited liability in Hong Kong, being a wholly-owned subsidiary of the Company

“Yong Tai”	Yong Tai Berhad, a company incorporated and domiciled in Malaysia with limited liability, the shares of which are listed on the Main Market of Bursa Malaysia Securities Berhad
“YTB Share(s)”	ordinary share(s) of Yong Tai with a nominal value of RM0.50 each
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

In this announcement, the exchange rate of RM1 = HK\$1.82 has been used for currency conversion. Such exchange rate is for illustration purpose only and does not constitute a representation that any amounts in RM or HK\$ have been, could have been or may be converted at such or any other rates or at all.

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

Hong Kong, 20 July 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.

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