

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

POWER XINCHEN

新 晨 動 力

XINCHEN CHINA POWER HOLDINGS LIMITED

新晨中國動力控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1148)

**(1) MAJOR AND CONNECTED TRANSACTION –
C3 ASSETS TRANSFER AGREEMENT;
(2) DISCLOSEABLE AND CONNECTED
TRANSACTION – CALL OPTION
AND
(3) CONNECTED TRANSACTION –
CONSULTATION FRAMEWORK AGREEMENT**

C3 ASSETS TRANSFER AGREEMENT

On 11 April 2017 (after trading hours), Mianyang Xincheng, an indirect wholly-owned subsidiary of the Company, and BBA entered into the C3 Assets Transfer Agreement pursuant to which BBA will transfer to Mianyang Xincheng the C3 Acquired Assets and the Transferred Contracts at a Consideration of approximately RMB419.91 million (equivalent to approximately HK\$473.17 million).

Pursuant to the C3 Assets Transfer Agreement, the Company has granted BBA the Call Option to buy back all or any part of the C3 Acquired Assets together with the Transferred Contracts, and the equipment, facilities and related services. The Call Option is exercisable at the discretion of BBA from the date when the title of the C3 Acquired Assets is transferred to Mianyang Xincheng to the end of production date of Bx8 engines, which is estimated to be 31 December 2023, upon the occurrence of certain specified events. The Call Option exercise price shall be determined based on the fair market value of assets and the contracts to be repurchased, but shall not be higher than the book value of the assets and the contracts plus a reasonable margin based on arm's length negotiations.

CONSULTATION FRAMEWORK AGREEMENT

On 11 April 2017 (after trading hours), Mianyang Xincheng and Xinhua Combustion Engine entered into the Consultation Framework Agreement pursuant to which Xinhua Combustion Engine will provide Mianyang Xincheng with certain technical consultation services in connection with the assembly and testing of the prince engines production line for a consultancy fee of RMB11.38 million (equivalent to approximately HK\$12.82 million).

LISTING RULES IMPLICATIONS

As at the date of this announcement, Brilliance China and Wuliangye are interested in 400,000,000 Shares and 400,000,000 Shares, representing approximately 31.20% and 31.20% of the issued share capital of the Company, respectively. Accordingly, each of Brilliance China and Wuliangye is a connected person of the Company under Rule 14A.07(1) of the Listing Rules.

Brilliance China is indirectly interested in 50% of the issued share capital of BBA. As BBA is an associate of Brilliance China, it is a connected person of the Company under Chapter 14A of the Listing Rules.

Xinhua Combustion Engine is a non wholly-owned subsidiary of Wuliangye. As Xinhua Combustion Engine is an associate of Wuliangye, it is a connected person of the Company under Chapter 14A of the Listing Rules.

Mianyang Xincheng is an indirect wholly-owned subsidiary of the Company.

As one or more of the applicable percentage ratios under the Listing Rules in respect of the Acquisition exceed(s) 25% or more but less than 100%, the Acquisition constitutes a major and connected transaction of the Company. As one or more of the applicable percentage ratios under the Listing Rules in respect of the grant of the Call Option exceed(s) 5% but is/are less than 25%, the grant of the Call Option constitutes a discloseable and connected transaction of the Company. Accordingly, each of the Acquisition and the grant of the Call Option is subject to the reporting, announcement and Independent Shareholder's approval requirements under Chapter 14 and/or Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios under the Listing Rules in respect of the Consultation Framework Agreement is/are more than 0.1% but less than 5%, the connected transaction contemplated under the Consultation Framework Agreement is subject to the reporting and announcement requirements, but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

GENERAL

The Independent Board Committee, comprising Mr. Chi Guohua, Mr. Wang Jun, Mr. Huang Haibo and Mr. Wang Songlin, being the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the terms of the C3 Assets Transfer Agreement (including the grant of the Call Option), after taking into account the recommendations of the Independent Financial Adviser.

The Company has appointed the Independent Financial Adviser to make recommendations to the Independent Board Committee and the Independent Shareholders in respect of the terms of the C3 Assets Transfer Agreement (including the grant of the Call Option).

A circular containing, amongst other things, (1) details of the C3 Assets Transfer Agreement, (2) the letter from the Independent Board Committee to the Independent Shareholders, setting out its recommendations in connection with the C3 Assets Transfer Agreement, (3) the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in connection with the C3 Assets Transfer Agreement and (4) a notice to Shareholders convening the Extraordinary General Meeting to approve the transactions contemplated under the C3 Assets Transfer Agreement (including the grant of the Call Option) in accordance with the requirements of the Listing Rules, will be despatched to Shareholders on or before 8 May 2017.

C3 ASSETS TRANSFER AGREEMENT

On 11 April 2017 (after trading hours), Mianyang Xincheng entered into the C3 Assets Transfer Agreement with BBA in connection with the Acquisition by Mianyang Xincheng of the C3 Acquired Assets and the Transferred Contracts from BBA.

Date: 11 April 2017 (after trading hours)

Transferor: BBA

Transferee: Mianyang Xincheng

Consideration:

The Consideration shall consist of (i) the fair market value of the C3 Acquired Assets and the Transferred Contracts, which shall not be higher than the book value of the C3 Acquired Assets and the Transferred Contracts plus a reasonable margin of 5% based on arm's length negotiations, (ii) value added tax and surcharge, and (iii) customs related tax, if any. The consideration for the C3 Acquired Assets is estimated to be approximately RMB419.91 million (equivalent to approximately HK\$473.17 million), after taking account of the book value of the C3 Acquired Assets of approximately RMB328.96 million (equivalent to approximately HK\$370.68 million) as at 31 December 2016, 5% margin on the book value of the C3 Acquired Assets of approximately RMB16.45 million (equivalent to approximately HK\$18.53 million); value added tax and surcharge of approximately of RMB66.48 million (equivalent to approximately HK\$74.91 million) and customs/duties that may be incurred by BBA for the transfer of imported equipment and facilities under the customs custody of approximately RMB8.03 million (equivalent to approximately HK\$9.05 million). The Consideration will be settled by internal resources and bank borrowing.

The original purchase costs of the C3 Acquired Assets were approximately RMB431.47 million (equivalent to approximately HK\$486.20 million).

Conditions Precedent:

The completion of the C3 Assets Transfer Agreement will occur after the satisfaction of the following conditions precedent:

- (i) the Consideration being fully paid by or on behalf of Mianyang Xincheng to BBA;
- (ii) BBA having obtained the approval from the competent customs authority and, if required by such customs authority, paid the relevant duty and tax in respect of the transfer of imported C3 Acquired Assets under customs custody (if any) pursuant to the applicable laws;
- (iii) the C3 Assets Transfer Agreement and the transactions contemplated thereunder having been approved by the Independent Shareholders;

- (iv) all necessary approvals, permits, licenses, registrations and filings from the competent development and reform commission and other related governmental authorities regarding environment protection and urban planning for the transactions contemplated under the C3 Assets Transfer Agreement being obtained by Mianyang Xincheng (if any);
- (v) each party having obtained all necessary approvals from its shareholders or board of directors as required for the transactions contemplated under the C3 Assets Transfer Agreement in accordance with its articles of association; and
- (vi) each related transaction document has been duly executed by the relevant parties, and there is no reasonable suspicion that any of such transaction documents may not come into effect in accordance with its terms and conditions.

Closing:

Subject to the satisfaction or waiver (by the party or parties who have the right to do so) of the conditions, the parties agree that Closing is expected to take place on 27 May 2017 or any other date as agreed between the parties in writing.

Call Option:

Pursuant to the C3 Assets Transfer Agreement, the Company has granted BBA the Call Option to buy back all or any part of the C3 Acquired Assets together with the Transferred Contracts, and the equipment, facilities and related services.

Key terms:

- | | |
|---------------------------------|---|
| Call Option exercise period: | The period commencing from the date when the title of the C3 Acquired Assets is transferred to Mianyang Xincheng to the end of production date of Bx8 engines, which is estimated to be 31 December 2023. |
| Triggering events for exercise: | <ul style="list-style-type: none"> (i) after the Closing, Mianyang Xincheng undergoes a change of control, or any mergers, split-up, transfer or other similar reorganizations that may involve BBA's or BMW's competitors or have a material negative impact on the performance of the C3 Assets Transfer Agreement and/or any other transaction agreements; (ii) Mianyang Xincheng fails to supply to BBA with finished crankshafts as needed by BBA in accordance with an agreement regarding finished crankshafts except for certain exemptions; (iii) Mianyang Xincheng commits a breach of any of its post-closing obligations and fails to correct the same within 45 days from written notice being sent by BBA requiring the breach to be remedied; |

- (iv) after the Closing, any transaction agreements regarding to the C3 Crankshaft Production Line other than the C3 Assets Transfer Agreement is terminated by BBA; or
- (v) after the Closing, Mianyang Xincheng becomes insolvent, files a petition for bankruptcy or insolvency, is subject to the appointment of a receiver or administrator over any of its assets, or other bankruptcy or insolvency proceedings are commenced by or against it.

Exercise price of
the Call Option:

The Call Option exercise price shall be determined based on the fair market value of assets and the contracts to be repurchased, but shall not be higher than the book value of the assets and the contracts plus a reasonable margin of 5% based on arm's length negotiations.

The Company is unable to estimate the Call Option exercise price at this stage, as the fair market value of the assets will depend on various factors such as the amount of depreciation on the C3 Acquired Assets. The maximum exercise price of the Call Option for the C3 Acquired Assets is estimated to be approximately RMB353.43 million (equivalent to approximately HK\$398.26 million), being the amount of the Consideration (excluding value added tax) plus a reasonable margin of 5% on the book value of the relevant assets, which is considered to be fair and reasonable and in the interests of the Company and its Shareholders as a whole. If and when the Call Option is exercised, the Company will make an announcement of the final exercise price.

If the Call Option is exercised, the parties shall, by signing a new asset transfer agreement, complete the transaction in relation to the Call Option within 60 days after BBA's written notice is provided to Mianyang Xincheng. Liquidated damages of 50% of the Call Option consideration is payable in the event of default unless the failure to complete is primarily attributable to BBA.

CONSULTATION FRAMEWORK AGREEMENT

On 11 April 2017 (after trading hours), Mianyang Xincheng and Xinhua Combustion Engine entered into the Consultation Framework Agreement pursuant to which Xinhua Combustion Engine will provide Mianyang Xincheng with certain technical consultation services in connection with the assembly and testing of the prince engines production line for a consultancy fee of RMB11.38 million (equivalent to approximately HK\$12.82 million).

Technical Consultation Services:

The technical consultation services that will be provided by Xinhua Combustion Engine under the Consultation Framework Agreement comprise the following consultation services:

- (i) technical consultation on the installation and testing of the prince engines production line;
- (ii) technical training to the prince engines production line staff; and
- (iii) follow up actions during the production trial stage so as to support Mianyang Xincheng to enhance the production or assembly of the prince engines.

Consultation Fee:

The consultation fee of RMB11.38 million (equivalent to approximately HK\$12.82 million) is payable to Xinhua Combustion Engine as follows:

- (i) as to RMB2.28 million (equivalent to approximately HK\$2.57 million) is payable within 15 working days from the date of the Consultation Framework Agreement;
- (ii) as to RMB7.40 million (equivalent to approximately HK\$8.34 million) is payable when the technical consultation services that will be provided by Xinhua Combustion Engine reaches 50% of the overall services under the Consultation Framework Agreement; and
- (iii) the remaining balance of RMB1.70 million (equivalent to approximately HK\$1.92 million) is payable when the prince engines production line could operate in accordance with its standard operating procedures.

The consultation fee has been determined after arm's length negotiations between Mianyang Xincheng and Xinhua Combustion Engine, taking into account of the time, expertise and resources that Xinhua Combustion Engine will provide in relation to the technical consultation services.

REASONS FOR AND BENEFITS OF ENTERING INTO THE C3 ASSETS TRANSFER AGREEMENT AND THE CONSULTATION FRAMEWORK AGREEMENT

C3 Assets Transfer Agreement

The Group has been supplying crankshaft to BBA since 2015. Given that there is an increasing demand for crankshaft from BBA and the Group is exploring possibility of exporting certain units of crankshaft to BMW AG, the Group needs to expand the production capacity of its crankshaft line. Therefore, the Group decided to enter the C3 Assets Transfer Agreement with BBA for the purpose of acquiring an additional crankshaft line.

The Directors (excluding directors who had abstained from voting on the resolutions and the independent non-executive Directors whose view will be given after considering the opinion from Independent Financial Adviser) consider that the transactions contemplated under the C3 Assets Transfer Agreement (including the grant of the Call Option) to be in the interests of the Company and the Shareholders as a whole; on normal commercial terms or better and in the ordinary and usual course of business of the Group; and that the terms of the C3 Assets Transfer Agreement to (including the grant of the Call Option) be fair and reasonable.

Consultation Framework Agreement

The Group decided to build a cylinder head machining line for its prince engines. The Group intends to hire an external consultant to assist in monitoring the overall process of building the cylinder head machining line in order to make sure the machining line will meet the required standard and be ready for production on schedule. The Group sources certain engine components from Xinhua Combustion Engine for many years. The Group is of the view that Xinhua Combustion Engine is experienced in managing engine parts processing lines and Xinhua Combustion Engine will be able to provide guidance and support to the Group in relation to the overall management of the construction of a cylinder head machining line. Therefore, the Group entered into the Consultation Framework Agreement with Xinhua Combustion Engine for the purpose of procuring consultancy from Xinhua Combustion Engine.

The Directors (excluding directors who had abstained from voting on the resolutions but including the independent non-executive Directors) consider the transactions contemplated under the Consultation Framework Agreement to be in the interests of the Company and the Shareholders as a whole; on normal commercial terms or better and in the ordinary and usual course of business of the Group; and that the terms of the Consultation Framework Agreement to be fair and reasonable.

INFORMATION OF THE PARTIES INVOLVED

The Group

The Group is principally engaged in the development, manufacture and sale of automotive engines for passenger vehicles and light duty commercial vehicles and manufacture of engine parts and components of the passenger vehicles in the PRC.

BBA

BBA is a sino-foreign equity joint venture company incorporated in the PRC and is owned as to 50% by Shenyang Jinbei, an indirect wholly-owned subsidiary of Brilliance China, and 50% by BMW Holding B.V. The principal activities of BBA include but are not limited to manufacture and sale of BMW vehicles.

Xinhua Combustion Engine

Xinhua Combustion Engine is a joint-stock company established in the PRC and a non wholly-owned subsidiary of Wuliangye and a connected person of the Company. The principal activities of Xinhua Combustion Engine are manufacture and sales of engine components, vehicles sales and provision of ancillary services and logistic services.

LISTING RULES IMPLICATIONS

As at the date of this announcement, Brilliance China and Wuliangye are interested in 400,000,000 Shares and 400,000,000 Shares, representing approximately 31.20% and 31.20% of the issued share capital of the Company, respectively. Accordingly, each of Brilliance China and Wuliangye is a connected person of the Company under Rule 14A.07(1) of the Listing Rules.

Brilliance China is indirectly interested in 50% of the issued share capital of BBA. As BBA is an associate of Brilliance China, it is a connected person of the Company under Chapter 14A of the Listing Rules.

Xinhua Combustion Engine is a non wholly-owned subsidiary of Wuliangye. As Xinhua Combustion Engine is an associate of Wuliangye, it is a connected person of the Company under Chapter 14A of the Listing Rules.

Mianyang Xinchun is an indirect wholly-owned subsidiary of the Company.

As one or more of the applicable percentage ratios under the Listing Rules in respect of the Acquisition exceed(s) 25% or more but less than 100%, the Acquisition constitutes a major and connected transaction of the Company. As one or more of the applicable percentage ratios under the Listing Rules in respect of the grant of the Call Option exceed(s) 5% but is/are less than 25%, the grant of the Call Option constitutes a discloseable and connected transaction of the Company. Accordingly, each of the Acquisition and the grant of the Call Option is subject to the reporting, announcement and Independent Shareholder's approval requirements under Chapter 14 and/or Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios under the Listing Rules in respect of the Consultation Framework Agreement is/are more than 0.1% but less than 5%, the connected transaction contemplated under the Consultation Framework Agreement is subject to the reporting and announcement requirements, but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Mr. Wu Xiao An, an executive Director, is also the chairman and an executive director of Brilliance China and a director of Huachen (which is a controlling shareholder of Brilliance China and a deemed connected person of the Company by the Stock Exchange). Mr. Liu Tongfu, a non-executive Director, is also a director of Huachen (which is a controlling shareholder of Brilliance China and deemed connected person of the Company by the Stock Exchange). Accordingly, Mr. Wu Xiao An and Mr. Liu Tongfu had abstained from voting on the Board resolutions in respect of the transactions contemplated under the C3 Assets Transfer Agreement (including the grant of the Call Option).

Mr. Wang Yunxian, an executive Director, is also a director of Xinhua Investment Holdings Limited (which is a wholly-owned subsidiary of Xinhua Combustion Engine). Mr. Yang Ming, a non-executive Director, is also a director of Sichuan Yibin Pushi Group Co., Ltd.* (四川省宜賓普什集團有限公司) (which is a holding company of Xinhua Combustion Engine and one of the controlling shareholders of the Company). Accordingly, Mr. Wang Yunxian and Mr. Yang Ming had abstained from voting on the Board resolutions in respect of the transactions contemplated under the Consultation Framework Agreement.

GENERAL

As at the date of this announcement, Brilliance China is interested in 400,000,000 Shares, representing approximately 31.20% of the issued share capital of the Company. Brilliance China and its associates will abstain from voting on the ordinary resolution to be proposed at the Extraordinary General Meeting in respect of the C3 Assets Transfer Agreement.

The Independent Board Committee, comprising Mr. Chi Guohua, Mr. Wang Jun, Mr. Huang Haibo and Mr. Wang Songlin, being the independent non-executive Directors, has been established to advise the Independent Shareholders in respect of the terms of the C3 Assets Transfer Agreement (including the grant of the Call Option), after taking into account the recommendations of the Independent Financial Adviser.

The Company has appointed the Independent Financial Adviser to make recommendations to the Independent Board Committee and the Independent Shareholders in respect of the terms of the C3 Assets Transfer Agreement (including the grant of the Call Option).

A circular containing, amongst other things, (1) details of the C3 Assets Transfer Agreement, (2) the letter from the Independent Board Committee to the Independent Shareholders, setting out its recommendations in connection with the C3 Assets Transfer Agreement, (3) the letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders in connection with the C3 Assets Transfer Agreement and (4) a notice to Shareholders convening the Extraordinary General Meeting to approve the transactions contemplated under the C3 Assets Transfer Agreement (including the grant of the Call Option) in accordance with the requirements of the Listing Rules, will be despatched to Shareholders on or before 8 May 2017.

DEFINITIONS

In this announcement, unless otherwise defined, terms used herein shall have the following meanings:

“Acquisition”	the acquisition of the C3 Acquired Assets by Mianyang Xincheng as contemplated under the C3 Assets Transfer Agreement
“Affiliated Facilities”	the equipment and facilities in connection with the operation of the C3 Crankshaft Production Line
“associates”	has the meaning ascribed thereto in the Listing Rules

“BBA”	BMW Brilliance Automotive Ltd. (華晨寶馬汽車有限公司*), a sino-foreign equity joint venture company incorporated in the PRC which is owned as to 50% by Shenyang Jinbei (an indirect wholly-owned subsidiary of Brilliance China) and 50% by BMW Holdings B.V.
“BMW AG”	Bayerische Motoren Werke Aktiengesellschaft
“Board”	the board of Directors
“Brilliance China”	Brilliance China Automotive Holdings Limited (華晨中國汽車控股有限公司*), a company incorporated in Bermuda, whose shares are listed on the Main Board of the Stock Exchange, and a controlling shareholder of the Company
“C3 Acquired Assets”	the C3 Crankshaft Production Line and the Affiliated Facilities
“C3 Assets Transfer Agreement”	an assets transfer agreement entered into between BBA and Mianyang Xincheng on 11 April 2017, pursuant to which BBA would transfer to Mianyang Xincheng the C3 Acquired Assets and the Transferred Contracts
“C3 Crankshaft Production Line”	the C3 crankshaft production line in Tiexi District of Shenyang City, the PRC which is currently owned and operated by BBA
“Call Option”	BBA’s right to buy all or any part of the C3 Acquired Assets together with the Transferred Contracts, and the equipment, facilities and related services as contemplated under the C3 Assets Transfer Agreement
“Closing”	the closing for the C3 Assets Transfer Agreement
“Company”	Xincheng China Power Holdings Limited (新晨中國動力控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability
“connected person”	has the meaning ascribed thereto in the Listing Rules
“Consideration”	the consideration for the C3 Acquired Assets under the C3 Assets Transfer Agreement

“Consultation Framework Agreement”	a consultation framework agreement entered into between Mianyang Xincheng and Xinhua Combustion Engine on 11 April 2017, pursuant to which Xinhua Combustion Engine would provide Mianyang Xincheng with certain technical consultation services in connection with the assembly and testing of the engine production line
“controlling shareholder”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	director(s) of the Company
“Extraordinary General Meeting”	the extraordinary general meeting of the Company to be convened for the purpose of approving the transactions contemplated under the C3 Assets Transfer Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Huachen”	Huachen Automotive Group Holdings Company Limited* (華晨汽車集團控股有限公司), a state-owned company incorporated in the PRC and a controlling shareholder of Brilliance China
“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive Directors, being Mr. Chi Guohua, Mr. Wang Jun, Mr. Huang Haibo and Mr. Wang Songlin
“Independent Financial Adviser”	Octal Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the C3 Assets Transfer Agreement
“Independent Shareholder(s)”	Shareholder(s) other than Brilliance China and its associates

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mianyang Xincheng”	Mianyang Xincheng Engine Co., Ltd.* (綿陽新晨動力機械有限公司) (including its branches), a company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company
“PRC”	The People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shenyang Jinbei”	Shenyang Jinbei Automotive Industry Holdings Co., Ltd.* (瀋陽金杯汽車工業控股有限公司), a company established in the PRC and an indirect wholly-owned subsidiary of Brilliance China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transferred Contracts”	the related contracts in connection with the operation of the C3 Crankshaft Production Line
“Wuliangye”	Sichuan Province Yibin Wuliangye Group Co., Ltd.* (四川省宜賓五糧液集團有限公司), a state-owned company incorporated in the PRC and a controlling shareholder of the Company
“Xinhua Combustion Engine”	Mianyang Xinhua Internal Combustion Engine Joint Stock Company Limited* (綿陽新華內燃機股份有限公司), a joint-stock company established in the PRC and a non wholly-owned subsidiary of Wuliangye
“%”	per cent.

By the order of the Board
Xincheng China Power Holdings Limited
Wu Xiao An
(also known as Ng Siu On)
Chairman

Hong Kong, 11 April 2017

For the purposes of illustration only, any amount denominated in RMB in this announcement was translated into HK\$ at the rate of RMB1 = HK\$1.12684. Such translations should not be construed as a representation that the amounts in question have been, could have been or could be, converted at any particular rate at all.

As at the date of this announcement, the Board comprises two executive directors, Mr. Wu Xiao An (also known as Mr. Ng Siu On) (Chairman) and Mr. Wang Yunxian (Chief Executive Officer); two non-executive directors, Mr. Liu Tongfu and Mr. Yang Ming; and four independent non-executive directors, Mr. Chi Guohua, Mr. Wang Jun, Mr. Huang Haibo and Mr. Wang Songlin.

** for identification purposes only*