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ANXIAN YUAN CHINA HOLDINGS LIMITED

安賢園中國控股有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0922)

ISSUE OF GUARANTEED AND SECURED CONVERTIBLE BONDS AND BONDS UNDER GENERAL MANDATE AND RESUMPTION OF TRADING

On 29 October 2015 (after trading hours), the Company (among other parties) entered into the Subscription Agreement with the Subscriber pursuant to which the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to issue, the Convertible Bonds and Bonds in the principal amount of HK\$50,000,000 and HK\$90,000,000 respectively, subject to the fulfillment (or waiver) of certain conditions precedent. Detailed terms of the Convertible Bonds and the Bonds are set out in the paragraphs headed “Principal terms of the Convertible Bonds” and “Principal terms of the Bonds” respectively. The Company intends to apply such net proceeds for general working capital and acquisition of certain assets.

Upon full conversion of the Convertible Bonds at the Conversion Price of HK\$0.14975 per Conversion Share, a total of 333,889,816 Conversion Shares will be issued, representing approximately 6.22% of the existing issued share capital of the Company and approximately 5.86% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares.

* *For identification purposes only*

The Conversion Shares, upon issue, shall rank at least pari passu in all respects with the Shares then in issue. The Company will allot and issue the Conversion Shares under the General Mandate. The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares. No listing of the Convertible Bonds and the Bonds will be sought on the Stock Exchange or any other exchanges.

The estimated net proceeds from the issue of the Convertible Bonds and the Bonds, after deducting all related expenses, will be approximately HK\$138 million.

As the issue of the Convertible Bonds and the Bonds is subject to the fulfillment of certain conditions precedent and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

INTRODUCTION

On 29 October 2015 (after trading hours), the Company entered into the Subscription Agreement with the Subscriber in relation to the issuance of the Convertible Bonds and the Bonds in the principal amount of HK\$50,000,000 and HK\$90,000,000 respectively. Details of the terms of the Subscription Agreement, the Convertible Bonds and the Bonds are summarised below:

THE SUBSCRIPTION AGREEMENT

1. Parties and Date

Date:	29 October 2015
Parties:	(i) the Company
	(ii) the Controlling Shareholder
	(iii) Mr. Shi
	(iv) the Subscriber

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

2. Principal terms of the Convertible Bonds

Pursuant to the Subscription Agreement, the Company has conditionally agreed to issue and the Subscriber has conditionally agreed to subscribe for, the Convertible Bonds in the principal amount of HK\$50,000,000 upon Completion.

The principal terms of the Convertible Bonds were arrived at after arm's length negotiations between the Company and the Subscriber and are summarised as follows:

- Principal amount: HK\$50,000,000
- Issue price: 100% of the principal amount of the Convertible Bonds
- Maturity date: the outstanding principal amount which is payable under the Convertible Bonds shall be due and payable on a date falling 24 months from the date of Closing (the "**Initial Maturity Date**") unless the Company delivers written notice to the Bondholder(s) no earlier than 60 days and at least fifteen (15) Business Days prior to the Initial Maturity Date to extend the Initial Maturity Date for 12 months (the "**Extended Maturity Date**")
- Guarantee and securities: The Convertible Bonds are guaranteed under the Personal Guarantee and secured by the Shi Share Charge, the Controlling Shareholder Charge and the Charge Over Convertible Notes. This means that all asset and undertakings of Mr. Shi and the Controlling Shareholder, including shares of the Company, are charged by way of security for payment obligations and due performance of the Company under the Convertible Bonds and related security documents
- Interest rate: 7% per annum payable semi-annually in arrears
- Ranking: The Convertible Bonds shall at all times constitute direct, unconditional, unsubordinated obligations of, and shall rank at least pari passu with all other present and future direct, unconditional and unsubordinated obligations issued, created or assumed by the Company
- Conversion: A Bondholder shall have the right at any time during the Conversion Period require the Company to convert the whole or any part of the principal amount outstanding under the Convertible Bonds into shares at the Conversion Price subject to adjustments
- Conversion Period: The Bondholder(s) shall have the right to require the Company to convert the whole or any part of the principal amount outstanding under the Convertible Bonds for the period from and including the issue date of the Convertible Bonds to and including the Maturity Date

- Conversion Price: The Conversion Price is HK\$0.14975 per Conversion Share and is subject to adjustment. The Conversion Price was arrived at after arm's length negotiation between the Company and the Subscriber with reference to average closing price per Share as quoted on the Stock Exchange for the twenty consecutive trading days immediately prior to the date of Subscription Agreement. The Conversion Price represents: (i) a discount of approximately 7.6% over the closing price of HK\$0.162 per Share as quoted on the Stock Exchange on 29 October 2015, being the last trading day prior to the publication of this announcement; and (ii) a discount of approximately 9.8% over the average closing price per share of approximately HK\$0.166 as quoted on the Stock Exchange for the five consecutive trading days immediately prior to (and excluding) 29 October 2015 being the date of the Subscription Agreement
- Adjustment: The Conversion Price shall from time to time be adjusted, among other things, in the following circumstances:
- (i) If and whenever the Share by reason of any consolidation or sub-division become of a different nominal amount;
 - (ii) If and whenever the Company shall issue (other than in lieu of a cash dividend) any Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account or capital redemption reserve fund); and
 - (iii) If and whenever the Company shall offer to holders of Shares new Shares for subscription by way of rights, or shall grant to holders of Shares any options or warrants to subscribe for new Shares, at a price which is less than the mark price at the date of the announcement of the terms of the offer or grant
- Conversion Shares: Upon full conversion of the Convertible Bonds at the Conversion Price of HK\$0.14975 per Conversion Share, a total of 333,889,816 Conversion Shares will be issued, representing approximately 6.22% of the existing issued share capital of the Company and approximately 5.86% of the issued share capital of the Company as enlarged by the issue of the Conversion Shares

- Redemption: Unless previously redeemed or converted into Conversion Shares, any outstanding Convertible Bonds shall be redeemed on Maturity Date at redemption amount (being the 100% of the principal amount of the Convertible Bonds outstanding at the time of Redemption) plus outstanding interest and a premium (which will provide the Bondholder an annual compounded cumulative internal rate of return that produces a net present value of all cash flows from an investment equal to zero) (“**IRR**”) of 10% per annum on such redemption amount
- Early redemption Required by the Bondholder: The Bondholder may require the Company to redeem the Convertible Bonds at redemption amount (being the remaining of the 100% of the principal amount of the Convertible Bonds) plus interests and premium (which will provide the Bondholder an annual compounded cumulative internal rate of return that produces a net present value of all cash flows from an investment equal to zero) (“**IRR**”) of 20% per annum on such redemption amount on occurrence of any events of default as specified in the terms of the Convertible Bonds
- Transfer: The Convertible Bonds are freely transferrable (in whole or in part) by the Bondholder to any person subject to compliance with all applicable laws
- Events of Default: If, among others, any of the following events occur, the Bondholder(s) shall be entitled to require, by lodging a notice of repayment, the Convertible Bonds registered in its name to be redeemed at a redemption amount, which at the time of the said notice shall become immediately due and payable:
- (i) any failure by the Company to pay the principal, and/or any interest due and payable on the Convertible Bonds or any other amount due and payable under the Convertible Bonds on its due date; or

- (ii) any breach or default by the Company, the Controlling Shareholder or Mr. Shi in the performance or observance of or compliance with any obligations, covenants, undertakings or other terms under any of the Transaction Documents and such breach or default is incapable of remedy or, if capable of remedy, is not remedied in full within five (5) Business Days from the date on which such breach or default occurs; or
- (iii) any representation, warranty, certification or statement made by or on behalf of the Company, the Controlling Shareholder or Mr. Shi under any of the Transaction Documents shall have been incorrect, misleading or false; or
- (iv) any member of the Group ceases to carry on the Business or engages in any business activity other than the Business; or
- (v) the trading in the Shares on the Stock Exchange is suspended for any reason other than pending release of announcement relating to any price sensitive information or inside information under the Listing Rules or the Securities and Futures Ordinance, any notifiable and/or connected transaction under chapters 14 and/or 14A of the Listing Rules, and/or any announcement to be made pursuant to the Codes on Takeovers and Mergers; or
- (vi) the Company ceases to be listed on the Main Board of the Stock Exchange.

3. Principal terms of the Bonds

Pursuant to the Subscription Agreement, the Company has conditionally agreed to issue, and the Subscriber has conditionally agreed to subscribe for, the Bonds in the principal amount of HK\$90,000,000 upon Completion.

The principal terms of the Bonds were arrived at arm's length negotiations between the Company and the Subscriber and are summarised as follows:

Principal amount:	HK\$90,000,000
Issue Price:	100% of the principal amount of the Bonds
Interest rate:	10% per annum payable semi-annually in arrears

Maturity date:	the outstanding principal amount which is payable under the Bonds shall be due and payable on a date falling 24 months from the Closing Date (the “ Initial Maturity Date ”) unless the Company delivers written notice to the Bondholder(s) no earlier than 60 days and at least fifteen (15) Business Days prior to the Initial Maturity Date to extend the Maturity Date for 12 months (the “ Extended Maturity Date ”)
Guarantee and securities:	The Bonds are guaranteed under the Personal Guarantee and secured by the Shi Share Charge and the Controlling Shareholder Charge and the Charge Over Convertible Notes. This means that all asset and undertakings of Mr. Shi and the Controlling Shareholder, including shares of the Company, are charged by way of security for payment obligations under the Bonds and related security documents
Transfer:	The Bonds are freely transferrable (in whole or in part) by the Bondholder to any person subject to compliance with all applicable laws
Redemption:	Unless previously redeemed, any outstanding Bonds shall be redeemed on Maturity Date at redemption amount (being the 100% of the principal amount of the Bonds outstanding at the time of Redemption) plus outstanding interest and other payment accrued and outstanding
Early redemption Required by the Bondholder:	The Bondholder may require the Company to redeem the Bonds at redemption amount (being the remaining of the 100% of the principal amount of the Bonds) plus interests and premium (which will provide the Bondholder an annual compounded cumulative internal rate of return that produces a net present value of all cash flows from an investment equal to zero) (“ IRR ”) of 20% per annum on such redemption amount on occurrence of any events of default as specified in the terms of the Bonds
Events of Default:	If, among others, any of the following events occur, the Bondholder(s) shall be entitled to require, by lodging a notice of repayment, the Bonds registered in its name to be redeemed at a redemption amount, which at the time of the said notice shall become immediately due and payable: <ul style="list-style-type: none"> (i) any failure by the Company to pay the principal, and/or any interest due and payable on the Bonds or any other amount due and payable under the Bonds on its due date; or

- (ii) any breach or default by the Company, the Controlling Shareholder or Mr. Shi in the performance or observance of or compliance with any obligations, covenants, undertakings or other terms under any of the Transaction Documents and such breach or default is incapable of remedy or, if capable of remedy, is not remedied in full within five (5) Business Days from the date on which such breach or default occurs; or
- (iii) any representation, warranty, certification or statement made by or on behalf of the Company, the Controlling Shareholder or Mr. Shi under any of the Transaction Documents shall have been incorrect, misleading or false; or
- (iv) any member of Group ceases to carry on the Business or engages in any business activity other than the Business; or
- (v) the Company ceases to be listed on the Main Board of the Stock Exchange.

4. Conditions Precedent

The obligation of the Company to issue and the Subscriber to subscribe for the Convertible Bonds and the Bonds is subject to the fulfillment of, among others, the following conditions:

- (i) the Company having delivered to the Subscriber a copy certified as true by a director or the company secretary of the Company of the approval of the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares;
- (ii) the Company having delivered to the Subscriber a copy certified as true by a director or the company secretary of the resolution of shareholders of the Company approving the General Mandate dated 18 September 2015;
- (iii) the Transaction Documents (other than the Subscription Agreement) have all been duly executed by the parties thereto (other than the Subscriber) and the due performance and compliance of the obligations pursuant to the terms of the Transaction Documents have been observed;

- (iv) the Subscriber, in its sole opinion, is satisfied with the results of the due diligence in relation to the Group, the Controlling Shareholder and Mr. Shi, including the business and operation, deal structure, financial, taxation, shareholders and related parties transactions, know your customer and anti-money laundering, regulatory and legal aspects;
- (v) the warranties and representations made by the Company, the Controlling Shareholder and Mr. Shi in the Subscription Agreement shall be true and correct in all material respects; and
- (vi) there shall not have occurred any event that would (had the Convertible Bonds or the Bonds already been issued) constitute an event of default or material adverse change (as defined and provided under the Subscription Agreement).

If the conditions precedent mentioned are not fulfilled or waived on or before 30 November 2015 (or such later date as maybe agreed between the Company and the Subscriber), the Subscription Agreement will lapse and become null and void and the parties will be released from all obligations, save for any liability arising out of any antecedent breaches.

5. Closing

The consummation of the issue and subscription of the Convertible Bonds and the Bonds shall be conducted on a date no later than five (5) Business Days after the fulfillment or waiver of the conditions to the Closing as stated in the Subscription Agreement.

GENERAL MANDATE TO ISSUE NEW SHARES

The Company will allot and issue the Conversion Shares under the General Mandate granted to the Directors pursuant to a resolution passed by the Shareholders at the annual general meeting of the Company held on 18 September 2015. Under the General Mandate, the Company is authorised to allot and otherwise deal with new Shares (including the issue of any securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares) of up to 20% of the issued share capital of the Company as at the date of the aforesaid annual general meeting, which amounts to 1,073,504,520 new Shares. As at the date of this announcement, the General Mandate has not been utilised since it was granted. After the allotment and issue of 333,889,816 Conversion Shares based on the Conversion Price, the General Mandate will in aggregate be utilised as to approximately 31.10%. Accordingly, no Shareholders' approval is required for the issue of Convertible Shares.

No application will be made for listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange. Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares.

REASONS FOR THE ISSUE OF CONVERTIBLE BONDS AND BONDS AND USE OF PROCEEDS

The Group is principally engaging the business of development and operation of cemetery and the provision of funeral services and funeral supplies.

The Subscriber is a company incorporated in Hong Kong and its principal business is investment holding.

The proceeds from the issue of the Convertible Bonds and the Bonds will be in aggregate HK\$138,000,000. The Board currently intends to use the proceeds from the issue of the Convertible Bonds and the Bonds as follows:

- (1) for general working capital of the Company; and/or
- (2) acquisition of assets (including any present and future assets, properties, undertakings, rights, claims, contracts, etc, whether tangible or intangible).

As stated in the 2015 annual report, the Company has continued its focus on cemetery business in the PRC which the Company believes has ample growth business opportunities. The Group has commenced investments in several cemetery-related projects. The Directors consider that the issue of the Convertible Bonds and the Bonds will allow an opportunity for the Company to raise additional funds as the Group's general working capital thus strengthen the Group's financial position and for the Group to acquire assets for generic growth and acquisition.

REFERRAL AGREEMENT IN RELATION TO THE SUBSCRIPTION OF CONVERTIBLE BONDS AND BONDS

On 29 October 2015 (after trading hours), the Referral Agent and the Referrer entered into the Referral Agreement, pursuant to which, the Referral Agent agreed to engage the Referrer for arranging the Subscriber to subscribe for the Convertible Bonds and the Bonds. A referral fee will be payable by the Referral Agent from the date of Closing up to the date of maturity of both the Convertible Bonds and the Bonds (or otherwise the date when the Convertible Bonds and the Bonds are fully redeemed or converted, as the case may be) which is calculated by multiplying the aggregate amounts of the Convertible Bonds and the Bonds by 5% and by the number of days from the Issue Date to the Initial Maturity Date (or the Extended Maturity Date if applicable) or the date when the Convertible Bonds or the Bonds is redeemed then divided by 360. The first instalment of the referral fee will be payable upon receipt of the aggregate principal amount of the Convertible Bonds and the Bonds.

The Directors consider that the terms of the Subscription Agreement, Convertible Bonds and the Bonds (including the Conversion Price and the transactions contemplated thereunder) and the Referral Agreement (including the formula for calculating the referral fee payable by the Group) are fair and reasonable, and they believe that it is in the interest of the Company to issue the Convertible Bonds and the Bonds. The Directors also consider that the issue of the Convertible Bonds and the Bonds will provide the Company with immediate funding. In addition, the interest rate payable on the Convertible Bonds and the Bonds is regarded as reasonable and fair as compared with the interest rates offered by other banking and financial institutions.

EFFECT OF THE ISSUE OF THE CONVERTIBLE BONDS ON THE SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company immediately before and after the issue of the Convertible Bonds (based on the Conversion Price and without taking into account an adjustment would be made, and assuming there being no other change in the shareholding structure and the share capital of the Company immediately after the date of this announcement and up to the full conversion of the Convertible Bonds):

Name	As at the date of this announcement		Upon completion of the issue of all the Convertible Bonds	
	<i>Number of Shares held directly or indirectly</i>	<i>Approximate percentage of the total issued share capital of the Company</i>	<i>Number of Shares held directly or indirectly</i>	<i>Approximate percentage of the total issued share capital of the Company</i>
Shi Hua (Note 1)	1,371,780,000	25.56%	1,371,780,000	24.06%
Shi Jun	122,000,000	2.27%	122,000,000	2.14%
Law Fei Shing	20,000,000	0.37%	20,000,000	0.35%
Shen Mingzhen	122,000,000	2.27%	122,000,000	2.14%
Taiping Trustees Limited (Note 2)	320,000,000	5.96%	320,000,000	5.61%
Sub-total	1,955,780,000	36.43%	1,955,780,000	34.30%
Public shareholders	3,411,742,600	63.57%	3,411,742,600	59.84%
Subscriber	–	–	333,889,816	5.86%
Total	5,367,522,600	100.00%	5,701,412,416	100.00%

Notes:

- Mr. Shi owns 221,780,000 Shares as a beneficial owner. The remaining 1,150,000,000 Shares is held by the Controlling Shareholder. The Controlling Shareholder is a company incorporated under the laws of British Virgin Islands, the entire issued share capital of which is legally and beneficially owned by Mr. Shi. Mr. Shi therefore deemed to be interested in 1,150,000,000 underlying shares held by the Controlling Shareholder.

2. 320,000,000 Shares are held by Taiping Trustees Limited – Taiping Bacui China Investment Fund (an investment fund established in Hong Kong), the trustee of which is Taiping Trustees Limited and the manager is Taiping Assets Management (HK) Company Limited, companies ultimately controlled by China Taiping Insurance Group Limited, a PRC state-owned financial and insurance group.

Ever Ability Investment Limited (the entire issued share capital of which is legally and beneficially owned by Mr. Lu Guofu), Mr. Han Min, Mr. He Yongwei, Ms. Wang Guozhen, Mr. Zhang Shenghua, Mr. Sun Xingrong, and Mr. Feng Shouzheng are the beneficiary of trust.

Therefore, each of Taiping Trustees Limited, Taiping Assets Management (HK) Company Limited, China Taiping Insurance Holdings Company Limited, Ever Ability Investment Limited, Mr. Lu Guofu, Mr. Han Min, Mr. He Yongwei, Ms. Wang Guozhen, Mr. Zhang Shenghua, Mr. Sun Xingrong and Mr. Feng Shouzheng is also deemed to be interest in the 320,000,000 Shares under the SFO.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities in the past twelve months.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the securities of the Company on the Stock Exchange was suspended from 9:00 a.m. on Friday, 30 October 2015 due to the release of this announcement. Application has been made by the Company for resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 3 November 2015.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Bondholder(s)”	a holder(s) of a Convertible Bond or a Bond and in whose name such Convertible Bond or Bond is for the time being registered in the register of bondholders kept by the Company
“Bonds”	the Bonds in aggregate principal amount of HK\$90,000,000 to be issued by the Company to the Subscriber pursuant to the Subscription Agreement
“Business”	the business of development and operation of cemetery and the provision of funeral services and funeral supplies

“Business Day”	a day on which commercial banks in Hong Kong are generally open for business other than Saturday and Sunday or a public holiday, or a day on which commercial banks do not open for business owing to a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal being in force in Hong Kong
“Charge Over Convertible Notes”	the charge over certain convertible notes in aggregate principal amount of HK\$115 million to be entered into between Mr. Shi as charger and the Subscriber as chargee
“Closing”	completion of the issue of the Convertible Bonds and the Bonds by the Company and subscription for the Convertible Bonds and the Bonds by the Subscriber as contemplated under the Subscription Agreement
“Company”	Anxian Yuan China Holdings Limited (安賢園中國控股有限公司), a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Stock Exchange with stock code 0922
“Controlling Shareholder”	Master Point Overseas Limited, a company incorporated in the British Virgin Islands with limited liability, the entire issued share capital of which is legally and beneficially owned by Mr. Shi, and a controlling shareholder (as defined in the Listing Rules) of the Company
“Controlling Shareholder Share Charge”	means the share charge to be entered into between the Controlling Shareholder as charger and the Subscriber as chargee on or prior to Closing pursuant to which the Controlling Shareholder will charge 1,150,000,000 Shares held by it in favour of the Subscriber
“Conversion Period”	Being the period between the issue date of the Convertible Bonds and the Maturity Date, both dates inclusive
“Conversion Price”	the conversion price per Conversion Share at HK\$0.14975
“Conversion Share(s)”	the Share(s) which may fall to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds
“Convertible Bonds”	the convertible bonds in aggregate principal amount of HK\$50,000,000 to be issued by the Company to the Subscriber pursuant to the Subscription Agreement

“Director(s)”	the director(s) of the Company
“Extended Maturity Date”	12 months after the Initial Maturity Date
“General Mandate”	the general mandate granted by the Shareholders to the Directors at the annual general meeting of the Company held on 18 September 2015 to allot and issue Shares up to an aggregate number of Shares not exceeding 20% of the number of Shares in issue as at 18 September 2015, i.e. 1,073,504,520 Shares, in accordance with the relevant provisions of the Listing Rules
“Group”	the Company and its subsidiaries and “Group Member” shall be a member of the Group
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Third Parties”	a third party independent of the Company and its connected persons, as defined under the Listing Rules
“Initial Maturity Date”	24 months from the date of the Closing
“Listing Rules”	rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	the Initial Maturity Date or if it is extended, the Extended Maturity Date
“Mr. Shi”	Mr. Shi Hua, the chairman of the Board and an executive Director
“Personal Guarantee”	collectively: (a) the personal guarantee to be entered into between Mr. Shi and the Subscriber on or prior to Closing; and (b) the warning notice to be executed by the guarantor on or prior to Closing in favour of the Subscriber
“PRC”	People’s Republic of China
“Referral Agent”	安賢園（上海）陵園投資管理有限公司, a company established under the laws of the PRC with limited liability and is an indirect wholly-owned subsidiary of the Company

“Referral Agreement”	the referral agreement dated 29 October 2015 entered into between Referral Agent and the Referrer in relation to the referral of the Subscriber to subscribe the Convertible Bonds and the Bonds
“Referrer”	建銀國際(深圳)有限公司, a company established under the laws of the PRC with limited liability and, together with the Subscriber, are subsidiaries of CCB International (Holdings) Limited
“Security Documents”	means collectively (a) the Controlling Shareholder Share Charge; (b) the Shi Share Charge; (c) the Personal Guarantee; and (d) the Charge Over Convertible Notes
“SFO”	Securities and Futures Ordinance (Cap.571)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shi Share Charge”	the share charge to be entered into between Mr. Shi as charger and the Subscriber as the chargee or prior to the Closing pursuant to which Mr. Shi will charge 118,600,000 Shares held by it in favour of the Subscriber
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscriber”	CCB International Overseas Limited, a company incorporated in Hong Kong with limited liability
“Subscription Agreement”	the subscription agreement dated 29 October 2015 entered into between the Company, the Controlling Shareholder, Mr. Shi and the Subscriber in relation to the subscription of the Convertible Bonds in the principal amount of HK\$50,000,000 and the Bonds in the principal amount of HK\$90,000,000 respectively
“Transaction Documents”	means (a) the Subscription Agreement; (b) the Convertible Bonds and the Convertible Bond certificate (together with the Convertible Bonds terms and conditions); (c) the Bonds and the Bond certificate (together with the Bond terms and conditions); (d) the Security Documents; and (e) any other document designated as such by the Subscriber

“HK\$” Hong Kong dollar(s), the lawful currency of Hong Kong
Special Administrative Region of the PRC

“%” per cent.

By Order of the Board
ANXIAN YUAN CHINA HOLDINGS LIMITED
Shi Hua
Chairman

Hong Kong, 2 November 2015

As at the date of this announcement, the Board comprises five executive directors, namely Mr. Shi Hua, Mr. Shi Jun, Mr. Law Fei Shing, Ms. Shen Mingzhen and Mr. Cheng Gang; one non-executive director, namely Mr. Wang Hongjie; and three independent non-executive directors, namely Mr. Chan Koon Yung, Mr. Lai Chun Yu and Mr. Li Xigang.