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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)

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



Supreme China Securities Limited
智華證券有限公司

Supreme China Securities Limited

The Board is pleased to announce that all conditions of the Placing have been fulfilled and the completion of the Placing took place on 17 December 2019. A total of 148,000,000 Placing Shares have been successfully placed by the Placing Agent to not less than six Places at the Placing Price of HK0.15 per Placing Share pursuant to the terms and conditions of the Placing Agreement.

Reference is made to the announcement of Anxian Yuan China Holdings Limited (the “**Company**”) dated 29 November 2019 in respect of the Placing (the “**Announcement**”). Unless otherwise defined, capitalized terms used herein have the same meanings as those defined in the Announcement.

* For identification purposes only

COMPLETION OF THE PLACING

The Board is pleased to announce that all conditions of the Placing have been fulfilled and the completion of the Placing took place on 17 December 2019. A total of 148,000,000 Placing Shares have been successfully placed by the Placing Agent to not less than six Placees at the Placing Price of HK0.15 per Placing Share pursuant to the terms and conditions of the Placing Agreement.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placees and their ultimate beneficial owners are third parties independent of the Company and connected persons (as defined under the Listing Rules) of the Company. None of the Placees has become a substantial Shareholder (as defined in the Listing Rules) immediately after the completion of the Placing.

The gross proceeds and net proceeds (after deducting placing commission payable to the Placing Agent and other related expenses incurred in the Placing) from the Placing are amount to HK\$22.2 million and approximately HK\$21.8 million (representing a net price of approximately HK\$0.147 per Placing Share), respectively. The Company intends to apply the net proceeds of the Placing (a) as to approximately 61%, representing approximately HK\$13.4 million, for repayment of existing debts and payables with an intention to improve the Group's financial position, gearing and liquidity; and (b) as to approximately 39%, representing approximately HK\$8.4 million, for general working capital of the Group.

EFFECTS ON SHAREHOLDING STRUCTURE

The 148,000,000 Placing Shares represent (i) approximately 19.99% of the total number of Shares in issue immediately before completion of the Placing; and (ii) approximately 16.66% of the total number of Shares in issue as enlarged by the issue of the Placing Shares.

Set out below is the shareholding structure of the Company immediately before and after completion of the Placing:

Name of Shareholders	Immediately before completion of the Placing		Immediately after completion of the Placing	
	No. of Shares	%	No. of Shares	%
Directors:				
Mr. Shi Hua (<i>Note</i>)	202,178,000	27.30	202,178,000	22.75
Mr. Shi Jun	12,200,000	1.65	12,200,000	1.37
Mr. Law Fei Shing	2,800,000	0.38	2,800,000	0.32
Public:				
The Placees	–	–	148,000,000	16.66
Other public Shareholders	523,367,260	70.67	523,367,260	58.90
Total	<u>740,545,260</u>	<u>100.00</u>	<u>888,545,260</u>	<u>100.00</u>

Note:

The 180,000,000 Shares out of 202,178,000 Shares are held by Master Point Overseas Limited which is a company incorporated under the laws of the British Virgin Islands, the entire issued share capital of which is legally and beneficially owned by Mr. Shi Hua, an executive director of the Company. The remaining 22,178,000 Shares out of the 202,178,000 Shares are held by Mr. Shi Hua in personal interests.

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

Hong Kong, 17 December 2019

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Shi Hua, Mr. Shi Jun and Mr. Law Fei Shing; one non-executive director, namely Mr. Wang Hongjie; and three independent non-executive directors, namely Mr. Chan Koon Yung, Mr. Lum Pak Sum and Mr. Yao Hong.