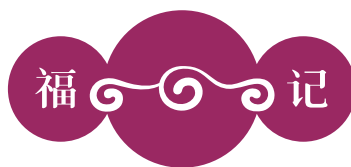


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福記食品服務控股有限公司

FU JI Food and Catering Services Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code : 1175)

**(1) PLACING OF NEW SHARES UNDER GENERAL MANDATE;
(2) UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS;
AND
(3) RESUMPTION OF TRADING**

Placing Agent



The Placing

On 9 March 2015 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, of up to 66,860,000 Placing Shares at a price of HK\$1.71 per Placing Share to not less than six Placees who and whose ultimate beneficial owners are independent third parties not connected with the Company and its connected persons.

A maximum of 66,860,000 Placing Shares under the Placing represent (i) approximately 14.24% of the existing shares capital of the Company of 469,477,188 Shares as at the date of this announcement; and (ii) approximately 12.47% of the issued share capital of the Company of 536,337,188 Shares as enlarged by the allotment and issue of the Placing Shares, assuming no further change in the share capital structure of the Company from the date of this announcement and up to the Completion. The maximum aggregate nominal value of the Placing Shares under the Placing will be HK\$668,600.

The Placing Price of HK\$1.71 per Placing Share represents (i) a discount of approximately 8.06% to the closing price of HK\$1.86 per Share as quoted on the Stock Exchange on the date of this announcement; and (ii) a premium of approximately 19.75% over the average closing price of approximately HK\$1.428 per Share as quoted on the Stock Exchange for the last five trading days prior to the date of this announcement.

The Placing is conditional upon:

- (i) the approval of the Listing Committee of the Stock Exchange agreeing to grant the listing of, and permission to deal in, the Placing Shares; and
- (ii) the Placing Agreement not having been terminated in accordance with its terms.

The maximum gross proceeds and net proceeds from the Placing will be approximately HK\$114.33 million and HK\$113 million, respectively. The net proceeds from the Placing will be used for general working capital of the Group.

The issue of the Placing Shares will be made under the General Mandate granted to the Directors pursuant to the resolutions of the Shareholders passed at the AGM on 24 September 2014.

Shareholders and potential investors should note that the Completion is subject to fulfilment of conditions under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

Unusual price and trading volume movements

The Board has noted the increases in the price and trading volume of the Shares on 9 March 2015. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Board confirms that it is not aware of any reasons for such price and volume movements or of any information which must be announced to avoid a false market in the Company's securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) other than the Placing which are set out in this announcement and the Company's plan to change the name of the Company.

Resumption of trading

At the request of the Company, trading in the Shares on the Stock Exchange has been halted from 1:00 p.m. on 9 March 2015 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 10 March 2015.

(1) THE PLACING

The placing agreement

Date

9 March 2015 (after trading hours)

Issuer

The Company

Placing Agent

The Placing Agent has conditionally agreed to place up to 66,860,000 Placing Shares on a best effort basis and will receive a placing commission of 1% of the amount that is equal to the Placing Price multiplied by the number of Placing Shares successfully placed by the Placing Agent on behalf of the Company. The Directors are of the view that the placing commission of 1% is fair and reasonable.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are not connected persons of the Company and are independent third parties not connected with the Company and its connected persons.

Placees

The Placing Agent will place the Placing Shares, on a best effort basis, at the Placing Price of HK\$1.71 per Placing Share payable by cash to not less than six Placees who and whose ultimate beneficial owners are independent third parties not connected with the Company and its connected persons. It is expected that none of the Placees will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Completion.

Number of Placing Shares

A maximum of 66,860,000 Placing Shares under the Placing represent (i) approximately 14.24% of the existing shares capital of the Company of 469,477,188 Shares as at the date of this announcement; and (ii) approximately 12.47% of the issued share capital of the Company of 536,337,188 Shares as enlarged by the allotment and issue of the Placing Shares, assuming no further change in the share capital structure of the Company from the date of this announcement and up to the Completion. The maximum aggregate nominal value of the Placing Shares under the Placing will be HK\$668,600.

Placing Price

The Placing Price of HK\$1.71 per Placing Share represents (i) a discount of approximately 8.06% to the closing price of HK\$1.86 per Share as quoted on the Stock Exchange on the date of this announcement; and (ii) a premium approximately 19.75% over the average closing price of approximately HK\$1.428 per Share as quoted on the Stock Exchange for the last five trading days prior to the date of this announcement.

The net placing price under the Placing is approximately HK\$1.69 per Placing Share. The Directors consider that the Placing Price, which was agreed after arm's length negotiations between the Company and the Placing Agent with reference to current market price of the Shares, is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

General Mandate

The Placing Shares will be issued under the General Mandate to allot, issue and deal with new Shares granted to the Directors by a resolution of the Shareholders passed at the AGM subject to the limit of not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM. Under the General Mandate, the Company is authorized to issue up to 66,868,410 new Shares. Up to the date of this announcement, no new Shares have been issued under the General Mandate.

The Placing is not subject to Shareholders' approval as the Placing Shares will be issued under the General Mandate.

Conditions of the Placing

Completion is conditional upon the following conditions being fulfilled on or before the Long Stop Date:

- (i) approval of the Listing Committee of the Stock Exchange agreeing to grant the listing of, and permission to deal in, the Placing Shares; and
- (ii) the Placing Agreement not having terminated in accordance with its terms.

If the foregoing condition is not fulfilled by 6:00 p.m. on the Long Stop Date, all rights, obligations and liabilities of the Placing Agent and of the Company under the Placing Agreement in relation to the Placing shall cease and determine and neither party to the Placing Agreement shall have any claim against the others in respect of the Placing save for any antecedent breach and/or any rights or obligations which may have accrued under the Placing Agreement prior to such termination.

Application for listing

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

Termination and force majeure events

The Placing Agent shall be entitled by notice to the Company given prior to 6:00 p.m. on the day immediately preceding the date of Completion to terminate the Placing Agreement if:

- (i) any event occurring or matter arising on or after the date of the Placing Agreement and prior to the date of Completion which if it had occurred or arisen before the date of the Placing Agreement would have rendered any of the undertakings, warranties and representations given by the Company untrue or incorrect and such would have an adverse impact or effect on the Placing and comes to the notice of the Placing Agent; or
- (ii) there develops, occurs or comes into force:
 - (a) any new law or regulation or any change in existing laws or regulations or the interpretation thereof which may in the reasonable opinion of the Placing Agent and in its reasonable discretion may materially and adversely affect the business or financial condition or prospects of the Company as a whole; or
 - (b) any local, regional, national or international event or change (whether or not permanent or forming part of a series of events or changes occurring or continuing, on and/or after the date thereof) of a political, military, economic or other nature (whether or not ejusdem generis with the foregoing) which, in the reasonable opinion of the Placing Agent and in its reasonable discretion will, or may be expected to, have a material adverse effect on the Placing; or
 - (c) any significant change (whether or not permanent) in local, regional, national or international market conditions (or in conditions affecting a sector of the market) which in the reasonable opinion of the Placing Agent and in its reasonable discretion has or may have a material adverse effect on the Placing; or

- (iii) there is any adverse change in the business or in the financial or trading position of the Company taken as a whole which being unaware of by the Placing Agent and in the reasonable opinion of the Placing Agent and in its reasonable discretion is material in the context of the Placing.

If a termination notice is given by the Placing Agent, the Placing Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of the Placing Agreement save for any rights or obligations which may have accrued under the Placing Agreement prior to such termination.

If the Placing Agreement is terminated, the Placing will not proceed.

Completion

Completion shall take place at any time within five Business Days after the fulfillment of the conditions set out in the Placing Agreement or such other date as may be agreed between the Company and the Placing Agent in writing.

Reasons for the Placing and use of proceeds

The principal activities of our Group have been changing from delivery and processing and sale of convenient packaged food to providing nationwide cold food storage and logistics platforms, providing catering industries and individuals for large scale food ingredients and convenient packaged food integrated services, and facilitate the integration of the demand and supply networks of the PRC's food industry.

The maximum gross proceeds and net proceeds from the Placing will be approximately HK\$114.33 million and HK\$113 million, respectively. The net proceeds from the Placing will be used for general working capital of the Group.

The Directors are of the view that the Placing will provide a good opportunity to raise additional funds to strengthen the financial position and broaden the capital base of the Group so as to facilitate its future development. Accordingly, the Board considers that the Placing is in the interests of the Company and the Shareholders as a whole.

Fund raising activity during the past 12 months

The Company has not conducted any other fund raising exercises in the past twelve months immediately before the date of this announcement.

Effect on shareholding structure of the Company

The shareholdings in the Company as at the date of this announcement and immediately after the Completion assuming all the Placing Shares are fully placed and there is no change in the share capital of the Company from the date of this announcement up to Completion (other than the allotment and issue of the Placing Shares) are and will be as follows:

Substantial Shareholder	As at the date of this announcement		Immediately after the Completion	
	No. of Shares	Approx. %	No. of Shares	Approx. %
Marvel Light Holdings Limited (Note 1)	312,415,352	66.55	312,415,352	58.25
Public Shareholders				
Placees (Note 2)	–	–	66,860,000	12.47
Others	157,061,836	33.45	157,061,836	29.28
Total	<u>469,477,188</u>	<u>100.00</u>	<u>536,337,188</u>	<u>100.00</u>

Notes:

- Marvel Light Holdings Limited is wholly-owned by Bomao Holdings Limited, which in turn is wholly-owned by Harvest (Overseas) Investment Limited, which in turn is wholly-owned by 安徽豐收投資有限公司 (Anhui Harvest Investment Company Limited*), which in turn is owned as to 40% by 安徽省創業投資有限公司 (Anhui Province Venture Investment Ltd*) (which is wholly-owned by 安徽省投資集團控股有限公司 (Anhui Province Investment Group Co. Ltd*)).
- Assuming no other issue of new Shares and no repurchase of existing Shares before the Completion, and the Placing Agent has placed the maximum number of the Placing Shares, being 66,860,000 new Shares, to not less than six independent Placees. It is expected that none of the Placees will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Completion.

(2) UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

The Board has noted the increases in the price and trading volume of the Shares on 9 March 2015. Having made such enquiry with respect to the Company as is reasonable in the circumstances, the Board confirms that it is not aware of any reasons for such price and volume movements or of any information which must be announced to avoid a false market in the Company's securities or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) other than the Placing which are set out in this announcement and the Company's plan to change the name of the Company.

* For identification purpose only

(3) RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been halted from 1:00 p.m. on 9 March 2015 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares with effect from 9:00 a.m. on 10 March 2015.

(4) GENERAL

Shareholders and potential investors should note that the Completion is subject to fulfilment of conditions under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“AGM”	the annual general meeting of the Company held on 24 September 2014 at which, among others, a resolution for the grant of the General Mandate to the Directors was duly passed by the Shareholders
“Board”	the board of directors of the Company
“Business Day”	a day (excluding Saturday, Sunday or public or statutory holiday in Hong Kong and any day on which a tropical cyclone warning No. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are generally open for business in Hong Kong throughout their normal business hours
“Company”	FU JI Food and Catering Services Holdings Limited, a company incorporated in Cayman Islands with limited liability, with its Shares listed on the Main Board of the Stock Exchange (Stock Code: 1175)

“Completion”	completion of the Placing in accordance with the terms and conditions as set out in the Placing Agreement
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the AGM to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM, i.e. 66,868,410 Shares
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 March 2015 (or such later date as the Company and the Placing Agent may agree in writing)
“Placee(s)”	any individual, institutional, professional and/or private investors independent of and not connected with the Company, the connected persons of the Company and their respective associates procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares by or on behalf of the Placing Agent to the Placee(s) on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	Qilu International 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 (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the placing agreement entered into between the Company and the Placing Agent dated 9 March 2015 in respect of the Placing
“Placing Price”	HK\$1.71 per Placing Share
“Placing Share(s)”	a maximum of 66,860,000 new Shares to be issued pursuant to the Placing Agreement

“Share(s)”	ordinary share(s) of HK\$0.01 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
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board
FU JI Food and Catering Services Holdings Limited
Huang Shourong
Chairman and Executive Director

Hong Kong, 9 March 2015

As at the date of this announcement, the Board comprises Mr. Huang Shourong and Mr. Pan Junfeng as executive Directors and Dr. Leung Hoi Ming, Mr. Mak Ka Wing, Patrick and Mr. Sung Wing Sum as independent non-executive Directors.