

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.



HSIN CHONG GROUP HOLDINGS LIMITED

新昌集團控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00404)

US\$100 MILLION 6% CONVERTIBLE BONDS DUE 2017

(Stock Code: 5579)

US\$300 MILLION 8.75% SENIOR NOTES DUE 2018

(Stock Code: 5513)

US\$150 MILLION 8.50% SENIOR NOTES DUE 2019

(Stock Code: 5607)

RESUMPTION CONDITIONS

This announcement is made by Hsin Chong Group Holdings Limited (“**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules (“**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Law of Hong Kong). References are made to the announcements of the Company dated 3 April 2017, 5 April 2017 and the annual report of the Company for the year ended 31 December 2016 (“**2016 Annual Report**”).

As disclosed in the sections headed “Basis for Disclaimer of Opinion” and “Disclaimer of Opinion” in the independent auditor’s report in the 2016 Annual Report, the auditor of the Company at that time, being PricewaterhouseCoopers (“**PwC**”), did not express an audit opinion on the consolidated financial statements of the Group for the year ended 31 December 2016 as a result of certain matters, including: (1) multiple uncertainties relating to going concern (“**Audit Issue 1**”); (2) transactions and balances relating to Mr. Zhou and his related entities (“**Audit Issue 2**”); (3) payments made to a construction company (“**Audit Issue 3**”); and (4) payments made to certain financial consultancy companies (“**Audit Issue 4**”, together with Audit Issue 1, Audit Issue 2, Audit Issue 3, collectively referred to as “**Audit Issues**”).

On 9 June 2017, the board of the Company (“**Board**”) received a letter (“**Letter**”) from the Stock Exchange, in which the Stock Exchange stated the following conditions (“**Resumption Conditions**”) for the resumption of trading in the shares of the Company:

- (a) address all Audit Issues identified by PwC; and
- (b) inform the market of all material information for shareholders and investors to appraise the Company’s position including the implication of the Audit Issues 2, 3 and 4 identified by PwC to the Group’s assets, financial and operational position.

The Stock Exchange further indicated that it may modify the above and/or impose further conditions if the situation changes.

The Company is now taking appropriate steps to fulfill the Resumption Conditions and will keep its shareholders of the Company and potential investors informed of the progress as and when appropriate.

CONTINUED SUSPENSION OF TRADING IN THE SHARES AND DEBT SECURITIES

Trading in the ordinary shares and debt securities of the Company has been suspended since 3 April 2017 and will continue to be suspended until further notice.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares and other securities of the Company.

By Order of the Board of
Hsin Chong Group Holdings Limited
LIN Zhuo Yan
Non-executive Chairman

Hong Kong, 12 June 2017

As at the date of this announcement, the Board comprises Mr. LIN Zhuo Yan as the Non-executive Chairman; Ir Joseph CHOI Kin Hung (Chief Executive Officer), Mr. Wilfred WU Shek Chun (Chief Risk Officer) and Mr. Eric TODD as Executive Directors; Mr. YAN Jie, Mr. CHEN Lei, Mr. CHUI Kwong Kau and Mr. LUI Chun Pong as Non-executive Directors; and Mr. CHENG Sui Sang, Ms. LEE Jai Ying, Mr. George YUEN Kam Ho and Mr. LAI Chik Fan as Independent Non-executive Directors.