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**UNITED ELITE AGENTS
LIMITED**

*(Incorporated in the British Virgin Islands
with limited liability)*

**CHINA METAL INTERNATIONAL
HOLDINGS INC.**

勤美達國際控股有限公司*
(Incorporated in the Cayman Islands with limited liability)
(Stock code: 319)

JOINT ANNOUNCEMENT

**PROPOSED PRIVATIZATION OF
CHINA METAL INTERNATIONAL HOLDINGS INC.
BY UNITED ELITE AGENTS LIMITED
BY WAY OF A SCHEME OF ARRANGEMENT
UNDER SECTION 86 OF THE CAYMAN COMPANIES LAW
AND
PROPOSED WITHDRAWAL OF LISTING OF THE SHARES OF
CHINA METAL INTERNATIONAL HOLDINGS INC.
RESULTS OF ADJOURNED COURT MEETING AND
ADJOURNED EGM
AND
CLOSURE OF REGISTER OF MEMBERS**

Financial Adviser to the Offeror



KGI CAPITAL ASIA LIMITED

*Independent Financial Adviser to the
Independent Board Committee*



FIRST SHANGHAI CAPITAL LIMITED

RESULTS OF ADJOURNED COURT MEETING AND ADJOURNED EGM

On Wednesday, 30 August 2017, the resolution to approve the Scheme was approved by the holders of Scheme Shares at the adjourned Court Meeting.

The special resolution to approve and give effect to the Scheme and the Capital Reduction, by cancellation and extinguishment of the Scheme Shares, to immediately issue such number of new ordinary Shares equivalent to the number of Scheme Shares cancelled as a result of the Scheme, credited as fully paid, to the Offeror, and to apply the credit arising in the Company's books of account as a result of the Capital Reduction in paying up such new Shares was approved by the Shareholders at the adjourned EGM.

The ordinary resolution to approve, ratify and confirm the Undertakings given by the Committed Shareholders to the Offeror to opt-out from the Scheme was also approved by the Scheme Shareholders at the adjourned EGM.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining those Scheme Shareholders who are qualified for entitlements under the Scheme, the register of members of the Company will be closed from Thursday, 28 September 2017 onwards. During such period, no transfer of Shares will be effected.

INTRODUCTION

References are made to (i) the joint announcement dated 29 May 2017 issued by the Offeror and the Company regarding the Proposal, the Undertakings, the Scheme and the Option Offer; (ii) the scheme document dated 13 July 2017 jointly issued by the Offeror and the Company in relation to the Proposal, the Undertakings, the Scheme and the Option Offer (the "**Scheme Document**"); and (iii) the joint announcement dated 24 August 2017 issued by the Offeror and the Company regarding the adjournment of the Court Meeting and EGM to Wednesday, 30 August 2017. Unless otherwise defined herein, terms used in this announcement shall have the same meanings as defined in the Scheme Document.

RESULTS OF THE ADJOURNED COURT MEETING

The adjourned Court Meeting was held at Room 1801, 18th Floor, The Chinese Bank Building, 61-65 Des Voeux Road Central, Hong Kong, at 10:00 a.m. on Wednesday, 30 August 2017 (Hong Kong time). Holders of Scheme Shares who were present either in person or by proxy were entitled to vote in respect of all of their Scheme

Shares. In compliance with both Section 86 of the Companies Law and Rule 2.10 of the Takeovers Code, the approval required to be obtained at the adjourned Court Meeting in respect of the Scheme would be regarded as obtained if:

- (a) the approval of the Scheme (by way of poll) by a majority in number of the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders present and voting either in person or by proxy at the adjourned Court Meeting; and
- (b) the approval of the Scheme (by way of poll) by Scheme Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by Scheme Shareholders that are cast either in person or by proxy at the adjourned Court Meeting; provided that the number of votes cast (by way of poll) by Scheme Shareholders present and voting either in person or by proxy at the adjourned Court Meeting against the resolution to approve the Scheme at the adjourned Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by the Scheme Shareholders.

At the adjourned Court Meeting:

- (1) a total number of 26 holders of Scheme Shares (representing approximately 81.25% of the total number of the holders of Scheme Shares who attended and voted either in person or by proxy at the adjourned Court Meeting) holding 115,997,384 Scheme Shares (representing approximately 99.057227% in value of the Scheme Shares held by the holders of Scheme Shares who were present and voting either in person or by proxy at the adjourned Court Meeting) voted in favour of the resolution to approve the Scheme; and
- (2) a total number of 6 holders of Scheme Shares (representing approximately 18.75% of the total number of the holders of Scheme Shares who attended and voted either in person or by proxy at the adjourned Court Meeting) holding 1,104,000 Scheme Shares (representing approximately 0.942773% in value of the Scheme Shares held by the holders of Scheme Shares who were present and voting either in person or by proxy at the adjourned Court Meeting) voted against the resolution to approve the Scheme.

Accordingly, the resolution proposed at the adjourned Court Meeting to approve the Scheme was duly passed in accordance with the requirements of both Section 86 of the Companies Law and Rule 2.10 of the Takeovers Code.

The total number of Scheme Shares entitling the holders to attend and vote for or against the Scheme either in person or by proxy at the adjourned Court Meeting was 224,653,416 Scheme Shares. Mr. Christian Odgaard Pedersen, who personally held 1,500,000 Scheme Shares as well as 300,000 Share Options, had abstained from voting at the adjourned Court Meeting. Other than Mr. Pedersen, no holder of Scheme Shares was required to abstain from voting on the Scheme at the adjourned Court Meeting nor did any person indicate in the Scheme Document that he/she/it intended to abstain from voting on or voting against the Scheme at the adjourned Court Meeting.

In accordance with the direction from the Grand Court of the Cayman Islands, HKSCC Nominees Limited was permitted to vote both for and against the Scheme in accordance with instructions received by it from CCASS Participants (as defined under the General Rules of CCASS and CCASS Operational Procedures in effect from time to time). For the purpose of calculating the “majority in number”, each such CCASS Participant who instructed HKSCC Nominees Limited to vote in favour of the Scheme was counted for the “majority in number” as a single Shareholder voting in favour of the Scheme, and each such CCASS Participant who instructed HKSCC Nominees Limited to vote against the Scheme was counted for the “majority in number” as a single Shareholder voting against the Scheme. HKSCC Nominees Limited itself, as opposed to instructing CCASS Participants, was not counted as a Shareholder for the purpose of the calculation of the “majority in number”. A total number of 23 CCASS Participants holding 113,528,860 Scheme Shares voted in favour of the resolution to approve the Scheme and a total number of 3 CCASS Participants holding 1,098,000 Scheme Shares voted against the resolution to approve the Scheme at the adjourned Court Meeting.

Computershare Hong Kong Investor Services Limited acted as scrutineer for the vote-taking at the adjourned Court Meeting.

RESULTS OF THE ADJOURNED EGM

The adjourned EGM was held after the conclusion of the adjourned Court Meeting at 11:30 a.m. on Wednesday, 30 August 2017. At the adjourned EGM:

- (1) in respect of the special resolution proposed to approve and give effect to the Scheme and the Capital Reduction, to issue such number of new Shares equivalent to the number of Scheme Shares cancelled and extinguished as a result of the Scheme, credited as fully paid, to the Offeror, and to apply the immediate credit arising in the Company’s books of account as a result of the

Capital Reduction in paying up such new Shares (the “**EGM Special Resolution**”), a total of 672,893,316 Shares (representing approximately 67.4670% of the total number of Shares) were voted in person or by proxy on a poll, of which:

- (a) 663,621,316 Shares (representing approximately 98.622070% of the Shares voted in respect of the EGM Special Resolution) were voted in favour of the EGM Special Resolution; and
 - (b) 9,272,000 Shares (representing approximately 1.377930% of the Shares voted in respect of the EGM Special Resolution) were voted against the EGM Special Resolution;
- (2) in respect of the ordinary resolution proposed to approve, ratify and confirm the Undertakings given by the Committed Shareholders to the Offeror to opt-out from the Scheme (the “**EGM Ordinary Resolution**”), based on the voting papers submitted by the Scheme Shareholders present and voting, a total of 275,131,784 Shares (representing approximately 27.5858% of the total number of Shares) were voted in person or by proxy on a poll, of which:
- (a) 265,859,784 Shares (representing approximately 96.629979% of the Scheme Shares voted in respect of the EGM Ordinary Resolution) were voted in favour of the EGM Ordinary Resolution; and
 - (b) 9,272,000 Shares (representing approximately 3.370021% of the Scheme Shares voted in respect of the EGM Ordinary Resolution) were voted against the EGM Ordinary Resolution;

The total number of Shares entitling the holders to attend and vote for or against the EGM Special Resolution and the EGM Ordinary Resolution either in person or by proxy at the adjourned EGM were 997,366,000 Shares and 224,653,416 Shares, respectively. No Shareholder was required to abstain from voting on the EGM Special Resolution nor did any person indicate in the Scheme Document that he/she/it intended to abstain from voting on or voting against the EGM Special Resolution at the adjourned EGM.

The Executive has given consents to the Undertakings as special deals pursuant to Rule 25 of the Takeovers Code, subject to the Undertakings being approved by a vote of the independent shareholders at the adjourned EGM, to be taken on a poll. The Offeror and the Offeror Concert Parties, Vald Birn, Yanmar, Mr. Tsao and the Ho Shareholders, their respective concert parties, and Mr. Christian Odgaard Pedersen, all of whom in aggregate hold 772,712,584 Shares, were required to abstain from voting on the EGM Ordinary Resolution. Save as aforesaid, no other Shareholder was required to abstain from voting on the EGM Ordinary Resolution nor did any person indicate in the Scheme Document that he/she/it intended to abstain from voting on or voting against the EGM Ordinary Resolution at the adjourned EGM. A total of 146,754,000 Shares held by the Offeror were erroneously included in the voting papers for the EGM Ordinary Resolution and they were excluded from the poll result for the EGM Ordinary Resolution. Save as aforesaid, each of the Offeror and the Offeror Concert Parties, and Vald Birn, Yanmar, Mr. Tsao, the Ho Shareholders and their respective concert parties, and Mr. Christian Odgaard Pedersen, had abstained from voting on the EGM Ordinary Resolution. As such, the poll result in respect of the EGM Ordinary Resolution, without taking into account a total of 146,754,000 Shares held by the Offeror and the Offeror Concert Parties which were erroneously included in the voting papers for the EGM Ordinary Resolution, was as follows:

- (a) 119,105,784 Shares (representing approximately 92.7776% of the Scheme Shares voted in respect of the EGM Ordinary Resolution) were voted in favour of the EGM Ordinary Resolution; and
- (b) 9,272,000 Shares (representing approximately 7.2224% of the Scheme Shares voted in respect of the EGM Ordinary Resolution) were voted against the EGM Ordinary Resolution.

Accordingly, (1) the EGM Special Resolution was duly passed by a majority of not less than 75% of the votes cast by the Shareholders present and voting (either in person or by proxy) at the adjourned EGM; and (2) the EGM Ordinary Resolution was duly passed by more than 50% of the votes cast by the Scheme Shareholders present and voting (either in person or by proxy) at the adjourned EGM.

Computershare Hong Kong Investor Services Limited acted as scrutineer for the vote-taking at the adjourned EGM.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining those Scheme Shareholders who are qualified for entitlements under the Scheme, the register of members of the Company will be closed from Thursday, 28 September 2017 onwards. During such period, no transfer of Shares will be effected.

EXPECTED TIMETABLE

Expected last day for trading in the Shares on the
Stock Exchange Friday, 22 September 2017

Court hearing of the petitions to sanction the
Scheme and to confirm the Capital Reduction Friday, 22 September 2017
(Cayman Islands time)

Announcement of the result of the court hearing,
the expected Effective Date and the expected date
of withdrawal of listing of the Shares on the
Stock Exchange no later than 8:30 a.m. on
Monday, 25 September 2017

Latest time for Optionholders to exercise their
Share Options in order to qualify for entitlements
under the Scheme 3:30 p.m. on Wednesday,
27 September 2017

Latest time for lodging transfers of Shares in order
to qualify for entitlements under the Scheme 4:30 p.m. on Wednesday,
27 September 2017

Register of members of the Company closed for
determining entitlements to qualify under the
Scheme (*Note 1*). from Thursday, 28 September 2017
onwards

Scheme Record Date Tuesday, 3 October 2017

Option Offer Record Date Tuesday, 3 October 2017

Effective Date (*Note 2*) Tuesday, 3 October 2017
(Cayman Islands time)

Announcement of the Effective Date and the
withdrawal of listing of the Shares on the Stock
Exchange no later than 8:30 a.m. on
Wednesday, 4 October 2017

Expected withdrawal of listing of the Shares on the
Stock Exchange becomes effective (*Note 3*) 4:00 p.m. on Friday,
6 October 2017

Cheques for cash entitlements under the Scheme to
be despatched (*Note 4*) on or before Friday,
13 October 2017

Latest time to accept the Option Offer and closing
date of the Option Offer (*Note 5*) 4:30 p.m. on Tuesday,
17 October 2017

Lapse of outstanding Share Options Tuesday, 17 October 2017

Cheques for cash entitlements under the Option
Offer to be despatched (*Note 6*) on or before Thursday,
26 October 2017

Shareholders and Optionholders should note that the above timetable is subject to
change. Further announcement(s) will be made in the event that there is any change.

Notes:

1. The register of members of the Company will be closed during such period for the purposes of determining the entitlements under the Scheme.
2. The Scheme will become effective upon all the Conditions having been fulfilled or waived (as applicable).
3. If the Proposal becomes unconditional and the Scheme becomes effective, it is expected that the listing of the Shares on the Stock Exchange will be withdrawn at or before 4:00 p.m. on Friday, 6 October 2017, being the next business day after the Effective Date.
4. Cheques for the cash entitlements to the Scheme Shareholders under the Scheme will be despatched by ordinary post at the risk of the recipients to their registered addresses shown in the register of members of the Company on or before Friday, 13 October 2017.
5. Forms of Acceptance, duly completed and executed in accordance with the instructions on them, must be lodged with the Offeror, care of China Metal International Holdings Inc. at Room 1502, 15th Floor, The Chinese Bank Building, 61-65 Des Voeux Road Central, Hong Kong, for the attention of the board of directors of the Offeror and marked “China Metal International Holdings Inc. - Option Offer” not later than 4:30 p.m. on Tuesday, 17 October 2017 (or such later date and time as may be notified by the Offeror, the Offeror FA and the Company).
6. Cheques for the cash entitlements to the Optionholders under the Option Offer will be despatched by ordinary post at the risk of the recipients on or before Thursday, 26 October 2017.

All references to times and dates are references to Hong Kong times and dates, except as otherwise specified.

Warnings

Shareholders and potential investors should be aware that the implementation of the Proposal and the Scheme is subject to the Conditions being fulfilled or waived, as applicable, and thus the Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their licensed securities dealer or registered institution in securities, bank manager, solicitor or other professional advisers.

The Offeror hereby remind its associates of the dealing restrictions under the Takeovers Code and to disclose their permitted dealings, if any, in any securities of the Company.

By Order of the Board of
**UNITED ELITE AGENTS
LIMITED**
Lin Ting-Fung
Director

By Order of the Board of
**CHINA METAL INTERNATIONAL
HOLDINGS INC.**
King Fong-Tien
Chairman

Hong Kong, 30 August 2017

As at the date of this announcement, the board of directors of the Offeror consists of Mr. Lin Ting-Fung and Mr. King Fong-Tien.

As at the date of this announcement, the board of directors of CMP consists of six directors, namely Mr. Lin Ting-Fung (林廷芳), Mr. Tsao Ming-Hong (曹明宏), Ms. Wu Shu-Chuan (吳淑娟), Ms. Ho Pei-Fen (何佩芬), Mr. Chen Pen Fa (陳本發) and Mr. Ho Cheng Yu (何承育), and three independent directors, namely Mr. Chang Ming-Chieh (張明杰), Mr. Liao Liou-Yi (廖了以) and Mr. Lin Jung Chuen (林榮春).

The directors of the Offeror and CMP jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

As at the date of this announcement, the board of Directors of the Company consists of eight Directors, of which four are executive Directors, namely Mr. King Fong-Tien, Mr. Tsao Ming-Hong, Ms. Chen Shun Min and Ms. Ho Pei-Lin, one is non-executive Director, namely Mr. Christian Odgaard Pedersen, and three are independent non-executive Directors, namely Mr. Lam Ting Lok, Mrs. Chiu Lin Mei-Yu (also known as Mary Lin Chiu) and Mr. Chen Pou-Tsang (also known as Angus P.T. Chen).

The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than that relating to the Offeror) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement (other than those expressed by the Offeror) having been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

** for identification purpose only*