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中國港橋控股有限公司

China HKBridge Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 2323)

**INSIDE INFORMATION:
MEMORANDUM OF UNDERSTANDING
IN RELATION TO THE PROPOSED RESTRUCTURING**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The board of directors of the Company would announce that, on 13 February 2018, Shenzhen HKBridge (an indirect wholly-owned subsidiary of the Company, which is incorporated in the PRC) entered into the MOU with Zhonghong. Shenzhen HKBridge is registered with the Asset Management Association of China (Registration Number : P1066570) to engage in the activities of fund management in the PRC.

Under the MOU, Shenzhen HKBridge has expressed intent to set up and manage a private equity fund with a period of 3 years, extendable for 2 years (the “**PE Fund**”) and to take steps to raise funds of about RMB13.0 billion from qualified investors for the participation in the debt, asset and shareholding restructuring (the “**Restructuring**”) of Zhonghong.

Zhonghong is a substantial shareholder of Zhonghong Holdings Co., Limited* (中弘控股股份有限公司), a company whose ordinary shares are listed on the Shenzhen Stock Exchange. As at the date of this announcement, the issued shares in Zhonghong Listco are held by Zhonghong as to about 26.55%.

PRINCIPAL TERMS OF THE MOU

Date

13 February 2018 (after trading hours)

Parties

- (1) Shenzhen HKBridge; and
- (2) Zhonghong

Subject matter

Pursuant to the MOU, Shenzhen HKBridge intends to set up and manage the PE Fund and to raise funds of about RMB 13.0 billion from qualified investors for the participation in the Restructuring.

Shenzhen HKBridge will engage professional parties (including accountants and lawyers) for conducting due diligence on Zhonghong after the signing of the MOU.

Shenzhen HKBridge and Zhonghong have expressed intent that a definitive agreement (i.e. the Formal Agreement) in relation to the Restructuring, subject to the results of due diligence and the terms of negotiation. The MOU will lapse if both parties do not enter into the Formal Agreement on or before 31 March 2018 (or such later date as may be agreed by the parties).

Under the MOU, Shenzhen HKBridge has agreed to use its best endeavour to perform the duties of being the PE Fund's manager and to comply with the applicable regulatory and reporting requirements.

Under the MOU, Zhonghong has agreed to provide all necessary assistance to Shenzhen HKBridge in relation to the due diligence to be conducted.

Exclusivity

Under the MOU, Zhonghong has undertaken to Shenzhen HKBridge that it shall not negotiate or enter into any discussion with third parties which are not a party of the MOU concerning the Restructuring.

Except for provisions relating to confidentiality and exclusivity (which are legally binding), the MOU was intended to record the preliminary mutual understanding between the parties to the MOU and to serve as a framework for further negotiations and its terms generally are not legally binding on the relevant parties.

The Restructuring and the transactions contemplated under the MOU are subject to, among other matters, the entering into of the Formal Agreement by Shenzhen HKBridge and Zhonghong and the relevant terms and conditions have not yet been finalised. The Restructuring and the transactions are also subject to the satisfaction of all conditions precedent and approvals from relevant authorities, which will be set out in the Formal Agreement. Accordingly, the Restructuring and the transactions contemplated under the MOU may or may not materialise.

The Restructuring and the transactions contemplated under the MOU, if materialised, may constitute a notifiable transaction for the Company under the Listing Rules. Further announcement(s) in relation to the Restructuring and the transactions will be made by the Company in accordance with all applicable requirements of the Listing Rules as and when appropriate.

FUNDING OF THE PROPOSED RESTRUCTURING

The Restructuring, if materialised, will be financed by the funds raised from qualified investors as mentioned above.

INFORMATION OF ZHONGHONG

Zhonghong is a company incorporated in the PRC. Zhonghong is principally engaged in investment holding in the PRC. Its principal investment is their 26.55% interest in Zhonghong Listco, which is primarily engaged in property development business in the PRC.

To the best of the knowledge, information and belief of the Directors having made all reasonable enquiries, each of Zhonghong and its ultimate beneficial owner is an Independent Third Party and is not connected with the Group.

INFORMATION OF THE GROUP, SHENZHEN HKBRIDGE AND REASONS FOR AND BENEFITS OF THE PROPOSED RESTRUCTURING

The Group is principally engaged in (a) the manufacture and sales of a broad range of printed circuit boards, (b) the carrying out of treasury investments including investment in securities and other related activities, and (c) the provision of financial services including asset management, investment and other consultancy related services.

Shenzhen HKBridge is an indirect wholly-owned subsidiary of the Company incorporated in the PRC.

The Board believes that the participation in the proposed Restructuring (if materialised) will facilitate the Group's expansion of its financial services segment geographically. Shenzhen HKBridge is registered with the Asset Management Association of China (Registration Number : P1066570) to engage in the activities of fund management in the PRC.

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

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

“Board”	the board of Directors
“Company”	China HKBridge Holdings Limited (stock code: 2323), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Formal Agreement”	the definitive agreement to be entered into (if so entered into) between Shenzhen HKBridge and Zhonghong for the transactions as contemplated by the MOU
“Group”	the Company and its subsidiaries
“RMB”	Renminbi, the lawful currency of the PRC
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	a third party independent of and not connected with the Company and its subsidiaries and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	People’s Republic of China, and for the purpose of this announcement only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Shareholder(s)”	shareholder(s) of the Company
“Shenzhen HKBridge”	Shenzhen HKBridge Equity Investment Fund Management Limited* (深圳港橋股權投資基金管理有限公司), an indirect wholly-owned subsidiary of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Zhonghong”	Zhonghong Zhuoye Group Limited* (中弘卓業集團有限公司), a limited liability company incorporated in the PRC

“Zhonghong Listco” Zhonghong Holdings Co., Limited* (中弘控股股份有限公司), a company whose equity shares are traded in the Shenzhen Stock Exchange. As at the date of this announcement, Zhonghong Listco is held by Zhonghong as to about 26.55%

“%” per cent

By order of the Board of
China HKBridge Holdings Limited
Liu Tingan
Chairman and Chief Executive Officer

Hong Kong, 13 February 2018

As at the date of this announcement, the board of directors of the Company comprises Mr. Liu Tingan and Mr. Cheok Ho Fung being executive Directors; and Mr. Mao Yumin being non-executive Director; and Mr. Ng Man Kung, Dr. Ngai Wai Fung and Mr. Lau Fai Lawrence being independent non-executive Directors.

** English translation for reference only*