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Boardwin Resources Limited

(Incorporated in the British Virgin Islands with limited liability)

Sanroc International Holdings Limited

善樂國際控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1660)

JOINT ANNOUNCEMENT

**(1) ACQUISITION OF SALE SHARES IN THE COMPANY
BY THE OFFEROR;**

**(2) UNCONDITIONAL MANDATORY CASH OFFER FOR
ALL THE ISSUED SHARES IN THE COMPANY
(OTHER THAN THOSE SHARES ALREADY OWNED AND/OR
AGREED TO BE ACQUIRED BY THE OFFEROR AND
PARTIES ACTING IN CONCERT WITH IT) BY
WELL LINK SECURITIES LIMITED FOR AND ON BEHALF OF
THE OFFEROR;**

(3) ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE;

**(4) REDESIGNATION OF INDEPENDENT NON-EXECUTIVE
DIRECTOR TO NON-EXECUTIVE DIRECTOR;**

AND

(5) RESUMPTION OF TRADING

Joint financial advisers to the Offeror



Financial adviser to the Company



THE SALE AND PURCHASE AGREEMENT

The Company has been informed by the Vendor that on 24 February 2018, the Vendor, the Vendor's Guarantor and the Offeror, as purchaser, entered into the Sale and Purchase Agreement pursuant to which the Offeror agreed to acquire and the Vendor agreed to sell an aggregate of 640,000,000 Shares, representing approximately 51.65% of the total issued share capital of the Company as at the date of this joint announcement, for the Consideration of HK\$309,927,360 (equivalent to HK\$0.4843 per Sale Share (rounded to 4 decimal places)), which was agreed between the Offeror and the Vendor after arm's length negotiations. Other than the Consideration payable under the Sale and Purchase Agreement, there is no other consideration, compensation or benefits in whatever form provided by the Offeror or its concert parties to the Vendor or its concert parties. The Sale and Purchase Agreement is unconditional and Completion took place on 27 February 2018.

UNCONDITIONAL MANDATORY CASH OFFER

Prior to Completion, save for an aggregate of 60,528,000 Shares held by Ms. Zhang, who is a party acting in concert with the Offeror according to the definition of "acting in concert" under the Takeovers Code, the Offeror and parties acting in concert with it did not own any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately after Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it own a total of 700,528,000 Shares, representing approximately 56.54% of the total issued share capital of the Company as at the date of this joint announcement. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror and parties acting in concert with it are required to make an unconditional mandatory cash offer for all the issued Shares (other than those Shares already owned by and/or agreed to be acquired by the Offeror and parties acting in concert with it). The Offer is unconditional in all respects.

As at the date of this joint announcement, there are no outstanding warrants, options, derivatives or securities convertible into Shares and the Company has not entered into any agreement for the issue of such securities, options, derivatives or warrants of the Company.

Well Link Securities will, for and on behalf of the Offeror, make the Offer in compliance with the Takeovers Code on terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

The Offer

for each Offer Share HK\$0.4843 in cash

The Share Offer Price of HK\$0.4843 (rounded to 4 decimal places) for each Offer Share is the same as the price per Sale Share at which the Sale Shares are agreed to be acquired by the Offeror pursuant to the Sale and Purchase Agreement.

The Offeror intends to maintain the listing status of the Company on the Stock Exchange and will undertake to the Stock Exchange to take appropriate steps following the close of the Offer to ensure that a sufficient public float as required under the Listing Rules exists in the Shares.

Irrevocable Undertaking

Ms. Zhang has irrevocably and unconditionally undertaken to the Offeror that Ms. Zhang will not (i) dispose of and/or pledge to any other parties and/or transfer and/or otherwise make 60,528,000 Shares, representing approximately 4.89% of the total issued share capital of the Company as at the date of this joint announcement available for acceptance for the Offer, from the date of the Undertaking to the close of the Offer; and (ii) accept the Offer in respect of these 60,528,000 Shares.

FINANCIAL RESOURCES AVAILABLE TO THE OFFEROR

As at the date of this joint announcement, there are 1,239,000,000 Shares in issue. Save for 700,528,000 Shares that are already owned by the Offeror and parties acting in concert with it (including the 60,528,000 Shares held by Ms. Zhang, which are subject to the Undertaking), a total of 538,472,000 Shares will be subject to the Offer. Assuming full acceptance of the Offer, the cash consideration payable by the Offeror at the Share Offer Price of HK\$0.4843 per Share will amount to HK\$260,781,990.

The maximum cash consideration payable by the Offeror for the Offer would be HK\$260,781,990 accordingly. The Offeror intends to fund the aggregate value of the Offer by the Facility granted by Hui's (HK) Credit for the purpose of financing the Offer.

Well Link International Capital and ZTI Capital, the joint financial advisers to the Offeror in respect of the Offer, are satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

INDEPENDENT BOARD COMMITTEE

An Independent Board Committee, comprising all the independent non-executive Directors, (other than Ms. Chen Huiling as the non-executive Director given her relationship as explained in the paragraph headed "Redesignation of independent non-executive Director to non-executive Director") namely, Mr. Chui Kwong Fun, Mr. Leung Siu Hong and Mr. Li Ching Wing, who have no direct or indirect interest in the Offer, has been formed in order to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code.

INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 2.1 of the Takeovers Code, an independent financial adviser will be appointed to advise the Independent Board Committee in respect of the Offer, in particular as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. Further announcement(s) will be made when such an independent financial adviser is appointed.

DESPATCH OF COMPOSITE DOCUMENT

It is the intention of the Offeror and the Company that the offer document and the offeree board circular be combined in a composite document, which contains, amongst others, details of the Offer, accompanied by the relevant form of acceptance and transfer, the recommendations from the Independent Board Committee to the Independent Shareholders as well as the letter of advice from the independent financial adviser to the Independent Board Committee in respect of the Offer. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document should normally be posted to the Independent Shareholders within 21 days of the date of this joint announcement. The Composite Document is expected to be despatched to the Independent Shareholders on or before 21 March 2018.

REDESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR TO NON-EXECUTIVE DIRECTOR

With effect from 27 February 2018, Ms. Chen Huiling (“**Ms. Chen**”), who was an independent non-executive Director, has been re-designated as a non-executive Director, as she ceased to be independent of the Company and its connected person upon Completion due to her employment as the deputy general manager of internal audit department with 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*), of which Mr. Xu Chujia is in control, and certain shareholders of the Offeror are also the directors thereof.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 26 February 2018 pending the release of this joint announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 2 March 2018.

The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the Composite Document, including the recommendations from the Independent Board Committee to the Independent Shareholders in respect of the Offer and the letter of advice from the independent financial adviser to the Independent Board Committee. The Independent Shareholders are encouraged to read the Composite Document carefully before deciding to accept or reject the Offer.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares during the Offer Period. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

This joint announcement is made by the Company and the Offeror pursuant to the Takeovers Code.

(A) THE SALE AND PURCHASE AGREEMENT

The Company has been informed by the Vendor that on 24 February 2018, the Vendor, the Vendor's Guarantor and the Offeror, as purchaser, entered into the Sale and Purchase Agreement pursuant to which the Offeror agreed to acquire and the Vendor agreed to sell an aggregate of 640,000,000 Shares, representing approximately 51.65% of the total issued share capital of the Company as at the date of this joint announcement, for the Consideration of HK\$309,927,360. Other than the Consideration payable under the Sale and Purchase Agreement, there is no other consideration, compensation or benefits in whatever form provided by the Offeror or its concert parties to the Vendor or its concert parties. The Sale and Purchase Agreement is unconditional and Completion took place on 27 February 2018.

Set out below are the principal terms of the Sale and Purchase Agreement:

Date

24 February 2018

Parties involved

Purchaser : Boardwin Resources Limited, the Offeror

Immediately before entering into the Sale and Purchase Agreement, save as disclosed in this joint announcement, the Offeror and its ultimate beneficial owners were third parties independent of the Company and its connected persons and not a party acting in concert with any of them

Vendor : Lion Spring Enterprises Limited, which is legally and beneficially owned by Ms. Wong Fei Heung Terbe, an executive Director, as to 22.87% and by Diamond Vista Holdings Limited, which in turn is wholly owned by BNP Paribas Singapore Trust Corporation Limited as the Trustee for the JANTS Trust, with Ms. Wong Fei Heung Terbe as the settlor and one of the beneficiaries, as to 77.13%

Vendor's Guarantor : Mr. Siu Chun Yiu Jonathan, being an executive Director and the spouse of Ms. Wong Fei Heung Terbe, has agreed to guarantee the due and punctual performance by the Vendor of its obligations under the Sale and Purchase Agreement

Subject matter

Pursuant to the Sale and Purchase Agreement, the Offeror acquired the Sale Shares, being 640,000,000 Shares in aggregate, from the Vendor, representing approximately 51.65% of the total issued share capital of the Company as at the date of this joint announcement, and all rights attaching to such Sale Shares as at the Completion Date free from all Encumbrances.

Consideration for the Sale Shares

The Consideration for the Sale Shares is HK\$309,927,360, equivalent to HK\$0.4843 per Sale Share (rounded to 4 decimal places), which was determined after arm's length negotiations between the Offeror and the Vendor and having taken into account the prevailing market price and the premium for the controlling interest of the Company.

Completion

Completion took place on 27 February 2018.

Warranties and undertakings

The Vendor and the Vendor's Guarantor have jointly and severally given warranties to the Offeror which are customary in the circumstances, in respect of, among other things, the legal status, financial conditions, business, operations and assets in relation to the Group.

The Vendor and the Vendor's Guarantor have jointly and severally undertaken that unless otherwise provided or permitted in the Sale and Purchase Agreement, they will use their reasonable endeavours to procure the business of the Group to be operated on a normal basis in the ordinary course of business from the date of the Sale and Purchase Agreement up to Completion.

Irrevocable Undertaking

Ms. Zhang has irrevocably and unconditionally undertaken to the Offeror that Ms. Zhang will not (i) dispose of and/or pledge to any other parties and/or transfer and/or otherwise make 60,528,000 Shares, representing approximately 4.89% of the total issued share capital of the Company as at the date of this joint announcement available for acceptance for the Offer, from the date of the Undertaking to the close of the Offer; and (ii) accept the Offer in respect of these 60,528,000 Shares.

(B) UNCONDITIONAL MANDATORY CASH OFFER

Terms of the Offer

Prior to Completion, save for an aggregate of 60,528,000 Shares held by Ms. Zhang, who is a party acting in concert with the Offeror according to the definition of “acting in concert” under the Takeovers Code, the Offeror and parties acting in concert with it did not own any Shares or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company. Immediately after Completion and as at the date of this joint announcement, the Offeror and parties acting in concert with it own a total of 700,528,000 Shares, representing approximately 56.54% of the total issued share capital of the Company as at the date of this joint announcement. Pursuant to Rule 26.1 of the Takeovers Code, the Offeror and parties acting in concert with it are required to make an unconditional mandatory cash offer for all the issued Shares (other than those Shares already owned by and/or agreed to be acquired by the Offeror and parties acting in concert with it). The Offer is unconditional in all respects.

The Offer is an unconditional mandatory cash offer and will not be conditional upon acceptances being received in respect of a minimum number of Shares or any other conditions.

As at the date of this joint announcement, there are 1,239,000,000 Shares in issue.

The Company has no outstanding securities, options, warrants or derivatives which are convertible into or which confer rights to require the issue of Shares and the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) other than as disclosed above as at the date of this joint announcement.

Assuming that there is no change in the issued share capital of the Company up to the close of the Offer, a total of 538,472,000 Shares will be subject to the Offer.

Well Link Securities will, for and on behalf of the Offeror, make the Offer in compliance with the Takeovers Code on terms to be set out in the Composite Document to be issued in accordance with the Takeovers Code on the following basis:

The Offer

for each Offer Share HK\$0.4843 in cash

The Share Offer Price of HK\$0.4843 (rounded to 4 decimal places) for each Offer Share is the same as the price per Sale Share at which the Sale Shares are agreed to be acquired by the Offeror pursuant to the Sale and Purchase Agreement.

Comparison of value

The Share Offer Price of HK\$0.4843 per Share represents:

- (i) a premium of approximately 0.90% over the closing price of approximately HK\$0.480 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a premium of approximately 0.27% over the average closing price of approximately HK\$0.483 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day;
- (iii) a premium of approximately 2.17% over the average closing price of approximately HK\$0.474 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day;
- (iv) a premium of approximately 3.04% over the average closing price of approximately HK\$0.470 per Share as quoted on the Stock Exchange for the thirty consecutive trading days up to and including the Last Trading Day; and
- (v) a premium of approximately 126.94% over the unaudited consolidated net asset value attributable to owners of the Company of approximately HK\$0.2134 per Share (based on the number of issued Shares as at the date of this joint announcement) as at 30 September 2017 as set out in the Interim Report.

Highest and lowest Share prices

During the six-month period immediately preceding the Last Trading Day:

- (i) the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.510 per Share on 5 January 2018 and 8 January 2018; and
- (ii) the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.241 per Share on 6 September 2017 (and various other dates between such period).

Total value of the Offer

Assuming that there is no change in the issued share capital of the Company prior to the close of the Offer, there would be 1,239,000,000 Shares in issue. On the basis of the Share Offer Price at HK\$0.4843 per Share, the entire issued share capital of the Company would be valued at approximately HK\$600,047,700.

Save for 700,528,000 Shares that are already owned by the Offeror and parties acting in concert with it (including the 60,528,000 Shares held by Ms. Zhang, which are subject to the Undertaking), a total of 538,472,000 Shares will be subject to the Offer. Based on the Share Offer Price of HK\$0.4843 per Share and a total of 538,472,000 Offer Shares (assuming there is no change in the total number of issued Shares from the date of this

joint announcement up to the making of the Offer), the total value of the Offer will amount to HK\$260,781,990.

Financial resources available to the Offeror

As at the date of this joint announcement, there are 1,239,000,000 Shares in issue. Save for 700,528,000 Shares that are already owned by the Offeror and parties acting in concert with it (including the 60,528,000 Shares held by Ms. Zhang, which are subject to the Undertaking), a total of 538,472,000 Shares will be subject to the Offer. Assuming full acceptance of the Offer, the cash consideration payable by the Offeror at the Share Offer Price of HK\$0.4843 per Share will amount to HK\$260,781,990.

The maximum cash consideration payable by the Offeror for the Offer would be HK\$260,781,990 accordingly. The Offeror intends to fund the aggregate value of the Offer by the Facility granted by Hui's (HK) Credit for the purpose of financing the Offer.

Well Link International Capital and ZTI Capital, the joint financial advisers to the Offeror in respect of the Offer, are satisfied that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer.

Effect of accepting the Offer

By validly accepting the Offer, Independent Shareholders would sell their tendered Shares to the Offeror free from all Encumbrances and together with all rights attaching to them, including, but not limited, to all rights to receive in any dividends and other distributions, if any, declared, made or paid by reference to a record date on or after the date on which the Offer is made, that is, the date of the despatch of the Composite Document.

Acceptance of the Offer by any Independent Shareholder will be deemed to constitute a warranty by such person that all Shares sold by such person under the Offer are free from all Encumbrances whatsoever and together with all rights accruing or attaching thereto, including, without limitation, all rights to any dividends and other distributions declared, made or paid, if any, on or after the date on which the Offer is made.

Acceptance of the Offer would be irrevocable and would not be capable of being withdrawn, subject to the provisions of the Takeovers Code.

Payment

Payment in cash in respect of acceptances of the Offer will be made as soon as possible but in any event within seven (7) business days (as defined under the Takeovers Code) of the date on which the duly completed acceptances of the Offer and the relevant documents of title of the Shares in respect of such acceptances are received by or for the Offeror to render each such acceptance of any the Offer complete and valid.

Stamp duty

The seller's Hong Kong ad valorem stamp duty arising in connection with acceptance of the Offer, amounting to 0.1% of the amount payable in respect of the relevant acceptance or if higher, the market value of the Shares, will be deducted from the amount payable to such Shareholders who accept the Offer. The Offeror will bear its own portion of the buyer's Hong Kong ad valorem stamp duty at the rate of 0.1% of the amount payable in respect of the relevant acceptance or if higher, the market value of the Shares, and will be liable to account to the Stamp Office of Hong Kong for the stamp duty payable for the sale and purchase of the Shares which are validly tendered for acceptance under the Offer.

Taxation advice

Independent Shareholders are recommended to consult their own professional advisers as to the taxation implications in relation of acceptance and rejection of the Offer. None of the Offeror, parties acting in concert with the Offeror, the Company, Well Link Securities, Well Link International Capital, ZTI Capital and their respective ultimate beneficial owners, directors, officers, advisers, agents or associates or any other person involved in the Offer accept responsibility for any taxation on, or liabilities of, any persons as a result of their acceptance or rejection of the Offer.

Overseas Shareholders

The Offer is made in respect of securities of a company incorporated in the Cayman Islands and will be subject to the procedural and disclosure requirements of Hong Kong, which may be different from other jurisdictions. Overseas Shareholders who wish to accept the Offer will also be subject to, and may be limited by, the laws and regulations of their respective jurisdictions in connection with their participation in the Offer.

Overseas Shareholders whose addresses as shown in the registers of members of the Company are outside Hong Kong and beneficial owners of the Shares who are citizens, residents or nationals of a jurisdiction outside Hong Kong should obtain information about and observe any applicable legal or regulatory requirements and, where necessary, seek legal advice in respect of the Offer. It is the responsibility of the overseas Shareholders who wish to accept the Offer to satisfy themselves as to the full observance of the laws of the relevant jurisdiction in connection therewith (including the obtaining of any governmental, exchange control or other consent which may be required or the compliance with other necessary formalities or legal and/or regulatory requirements and the payment of any transfer or other taxes due in respect of such jurisdictions).

Any acceptance by any overseas Shareholders will be deemed to constitute a representation and warranty from such overseas Shareholders to the Offeror that the local laws and requirements have been complied with. Overseas Shareholders should consult their professional advisers if they are in doubt.

Dealing and interest in the Company's securities

For the six months prior to the date of this joint announcement, the Offeror and parties acting in concert with it had not dealt for value in nor did they have any Shares, options, derivatives, warrants or other securities convertible into Shares, save for the acquisition of the Sale Shares pursuant to the Sale and Purchase Agreement and the following transactions:

Relevant party	Date	Purchase/sale	Number of Shares	Price per Share
Ms. Zhang	4 December 2017	Purchase	27,504,000	HK\$0.4050
Ms. Zhang	1 December 2017	Purchase	24,008,000	HK\$0.4150
Ms. Zhang	3 November 2017	Purchase	3,544,000	HK\$0.4150
Ms. Zhang	3 November 2017	Purchase	2,480,000	HK\$0.4200
Ms. Zhang	3 November 2017	Purchase	2,992,000	HK\$0.4300

Other arrangements

The Offeror confirms that, as at the date of this joint announcement:

- (i) save as the Sales Shares and Ms. Zhang's Existing Shareholding, none of the Offeror, its ultimate beneficial owners and/or parties acting in concert with it owns or has control or direction over any voting rights or rights over the Shares, options, derivatives, warrants or other securities convertible into Shares;
- (ii) none of the Offeror, its ultimate beneficial owners and/or parties acting in concert with it has received any irrevocable commitment to accept the Offer;
- (iii) there is no outstanding derivative in respect of the securities in the Company which has been entered into by the Offeror, its ultimate beneficial owners or any person acting in concert with it;
- (iv) there is no arrangement (whether by way of option, indemnity or otherwise) of any kind referred to in Note 8 to Rule 22 of the Takeovers Code in relation to the shares of the Offeror or the Company and which might be material to the Offer;
- (v) there is no agreement or arrangement to which the Offeror, its ultimate beneficial owners and/or parties acting in concert with it is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Offer;
- (vi) none of the Offeror, its ultimate beneficial owners and/or parties acting in concert with it has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company; and

- (vii) there is no special deal (under Rule 25 of the Takeovers Code) between the Offeror and parties acting in concert with it on one hand and the Vendor and parties acting in concert with it on the other hand.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company immediately before and after Completion but before any acceptance of the Offer:

	Immediately before Completion		Immediately after Completion but before the Offer	
	Number of Shares	Approximate shareholding (%)	Number of Shares	Approximate shareholding (%)
The Vendor	640,000,000	51.65	–	–
The Offeror and parties acting in concert with it (other than Ms. Zhang)	–	–	640,000,000	51.65
Ms. Zhang	60,528,000	4.89	60,528,000	4.89
Independent Shareholders	538,472,000	43.46	538,472,000	43.46
Total:	1,239,000,000	100.00	1,239,000,000	100.00

INFORMATION OF THE GROUP

The Company is incorporated in the Cayman Islands as an exempted company with limited liability and its Shares are listed on the Main Board of the Stock Exchange. The Group's business comprises (i) trading of construction machinery, which mainly consists of foundation machinery and drilling accessories; (ii) leasing of construction machinery, including mainly power and energy machinery; and (iii) the provision of local transportation services with crane lorries.

Set out below is the audited revenue, profit before tax and profit attributable to the owners of the Company for each of the two financial years ended 31 March 2016 and 31 March 2017, and the unaudited revenue, profit before tax and profit attributable to the owners of the Company for the six months ended 30 September 2017 as extracted from the Interim Report:

	For the year ended 31 March		For the six months ended 30 September
	2016	2017	2017
	(Audited)	(Audited)	(Unaudited)
	HK\$'000	HK\$'000	HK\$'000
Revenue	205,439	175,862	71,061
Profit before tax	39,921	23,944	18,679
Profit attributable to owners of the Company	32,985	17,182	15,921

Further financial information of the Group will be set out in the Composite Document to be despatched to the Independent Shareholders.

INFORMATION ON THE OFFEROR

The Offeror is a company incorporated in the British Virgin Islands on 15 January 2018 with limited liability and is legally and beneficially owned as to 76% by Mr. XU Chujia (許楚家先生), 8% by Mr. XU Chusheng (許楚勝先生), 6% by Mr. HUI Chor Tak (許楚德先生), 5% by Ms. ZHANG Meijuan (張美娟女士) (“**Ms. Zhang**”), 2% by Ms. XU Jiaoli (許嬌麗女士), 2% by Mr. XU Weizhen (許偉圳先生) and 1% by Ms. XU Weixia (許為霞女士). The Offeror is an investment holding company that has not engaged in any business since its formation, other than to enter into the Sale and Purchase Agreement.

Set out below are the biographical details of the Offeror’s Shareholders:

Mr. XU Chujia (許楚家先生), aged 47, has over 12 years of business experience. Mr. Xu Chujia is a director of 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*). 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*) is a company engaged in property development and business investments in the PRC. Mr. Xu Chujia is the spouse of Ms. Zhang.

Mr. XU Chusheng (許楚勝先生), aged 52, has over 12 years of business experience. Mr. Xu Chusheng is a supervisory member of 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*).

Mr. HUI Chor Tak (許楚德先生), aged 57, has over 12 years of business experience. Mr. Hui is a director of 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*). Mr. Hui is also a director of Hui's Finance Group Holdings Limited, a company engaged in money lending in Hong Kong. In addition, he is a director of Well Link Securities Limited, a company engaged in securities brokerage in Hong Kong.

Ms. Zhang, aged 38, is a director of 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*). Ms. Zhang is the spouse of Mr. Xu Chujia.

Ms. XU Jiaoli (許嬌麗女士), aged 38, is a director of 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*).

Mr. XU Weizhen (許偉圳先生), aged 27, is a director of 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*). Mr. Xu Weizhen obtained his bachelor's degree in finance management from 北京經濟管理學院 (Beijing School of Economics and Management*) in July 2013.

Ms. XU Weixia (許為霞女士), aged 33, is a finance manager of 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*).

As at the date of this joint announcement, the directors of the Offeror are Mr. Xu Chujia (許楚家先生), Mr. Hui Chor Tak (許楚德先生), Ms. Zhang, Ms. Xu Jiaoli (許嬌麗女士) and Mr. Xu Weizhen (許偉圳先生). The Offeror and its ultimate beneficial owners are third parties independent of, and not acting in concert with, the Vendor. Immediately preceding Completion, none of the Offeror or its ultimate beneficial owners owns any Shares save as the 60,528,000 Shares held by Ms. Zhang.

OFFEROR'S INTENTION REGARDING THE GROUP

The Offeror intends to continue the existing principal activities of the Group. The Offeror has no intention to terminate the employment of any senior management personnel of the Group, including the chief executive officer, the chief financial officer and the general manager. The Offeror is inclined to work together with the senior management of the Group and to leverage on their expertise and experience to further promote the growth of the Group. The Offeror has no intention to introduce any major changes to the employment of the employees of the Group. Following completion of the Offer, the Offeror will conduct a review on the business operations as well as the financial position of the Group. Based on the results of the review, the Offeror will formulate appropriate and specific business plans and strategies for the future development of the Group and identify suitable investment projects and explore business opportunities with a view to achieving better growth potential for as well as strengthening the financial position of the Group. To help maintain and further develop the business of the Group, the Offeror may recruit suitable candidates. As at the date of this joint announcement, the Offeror has no concrete plan for any acquisition or disposal of the existing assets or business of the Group.

PROPOSED CHANGE TO THE BOARD COMPOSITION OF THE COMPANY AND THE GROUP

As at the date of this joint announcement, the Board comprises Mr. Siu Chun Yiu Jonathan, Ms. Wong Fei Heung Terbe, Mr. Ho King Chiu, Ms. Yip Kam Ling and Ms. Cheng Shing Yan as executive Directors; Ms. Chen Huiling as non-executive Director; and Mr. Chui Kwong Fun, Mr. Leung Siu Hong and Mr. Li Ching Wing as independent non-executive Directors.

It is expected that the Offeror will require all Directors to resign from the Board at the earliest time as allowed under the Takeovers Code. The Offeror intends to nominate new Directors to the Board and such appointments will not take effect earlier than the date of posting of the Composite Document in relation to the Offer or such other date as permitted under the Takeovers Code. As at the date of this joint announcement, the Offeror has not reached any final decision as to who will be nominated. Any such resignation and appointment of Directors will be made in compliance with the Takeovers Code and the Listing Rules. Further announcement(s) will be made in this regard as and when appropriate.

MAINTENANCE OF THE LISTING STATUS AND SUFFICIENT PUBLIC FLOAT OF THE COMPANY

The Offeror intends to maintain the listing status of the Company and it will irrevocably undertake that it will be responsible for maintaining the 25% public float requirement upon the closing of the Offer under the Listing Rules.

If, at the close of the Offer, less than the minimum prescribed percentage applicable to the Company, being 25% of the Shares, are held by the public, or if the Stock Exchange believes that:

- a false market exists or may exist in the trading of the Shares; or**
- there are insufficient Shares in public hands to maintain an orderly market,**

the Stock Exchange will consider exercising its discretion to suspend dealings in the Shares.

Therefore, it should be noted that upon close of the Offer, there may be insufficient public float of the Shares and the trading in the Shares may be suspended until sufficient public float exists for the Shares. The Company and the Offeror will issue a separate announcement as and when necessary in this regard.

GENERAL

Independent Board Committee

An Independent Board Committee, comprising all the independent non-executive Directors, (other than Ms. Chen Huiling as the non-executive Director given her relationship as explained in the paragraph headed “Redesignation of independent non-executive Director to non-executive Director”), namely, Mr. Chui Kwong Fun, Mr. Leung Siu Hong and Mr. Li Ching Wing, who have no direct or indirect interest in the Offer, has been formed in order to advise the Independent Shareholders as to whether the Offer is fair and reasonable and as to the acceptance of the Offer pursuant to Rule 2.1 of the Takeovers Code.

Independent financial adviser

Pursuant to Rule 2.1 of the Takeovers Code, an independent financial adviser will be appointed to advise the Independent Board Committee in respect of the Offer, in particular as to whether the Offer is fair and reasonable and as to the acceptance of the Offer. Further announcement(s) will be made when such an independent financial adviser is appointed.

Dealings disclosure

In accordance with Rule 3.8 of the Takeovers Code, the associates (as defined under the Takeovers Code) of the Offeror and the Company (including their respective shareholders having interests of 5% or more of the relevant securities) are reminded to disclose their dealings in the relevant securities in the Company pursuant to Rule 22 of the Takeovers Code.

Pursuant to Rule 3.8 of the Takeovers Code, the full text of Note 11 to Rule 22 of the Takeovers Code is set out below:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that the stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

DESPATCH OF COMPOSITE DOCUMENT

It is the intention of the Offeror and the Company that the offer document and the offeree board circular be combined in a composite document, which contains, amongst others, details of the Offer, accompanied by the relevant form of acceptance and transfer, the recommendations from the Independent Board Committee to the Independent Shareholders as well as the letter of advice from the independent financial adviser to the Independent Board Committee in respect of the Offer. Pursuant to Rule 8.2 of the Takeovers Code, the Composite Document should normally be posted to the Independent Shareholders within 21 days of the date of this joint announcement. The Composite Document is expected to be despatched to the Independent Shareholders on or before 21 March 2018.

REDESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR TO NON-EXECUTIVE DIRECTOR

With effect from 27 February 2018, Ms. Chen Huiling (“**Ms. Chen**”), who was an independent non-executive Director, has been re-designated as a non-executive Director, as she ceased to be independent of the Company and its connected person upon Completion due to her employment as the deputy general manager of internal audit department with 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*), of which Mr. Xu Chujia is in control, and certain shareholders of the Offeror are also the directors thereof as disclosed in the paragraph headed “Information on the Offeror” above.

Ms. Chen, aged 54, has graduated from Hangzhou Electronics Industrial Institute* (杭州電子工業學院) (now known as Hangzhou Danzi University* (杭州電子科技大學)) studied in industrial accounting. She has been a qualified accountant accredited by the Finance Ministry of the PRC since 1996. She has extensive experience in the field of accounting, auditing and internal control. She is currently the deputy general manager of internal audit department of 深圳兆邦基集團有限公司 (Shenzhen Zhaobangji Group Limited*). Prior to that, she has worked for a state-owned enterprise in the PRC as accounting, finance and audit manager.

Following the redesignation, Ms. Chen is still entitled to receive a remuneration of HK\$120,000 per year as previously determined by the Board with recommendation of the Remuneration Committee after considering a range of factors including her experience, her duties and responsibilities in the Group and the remuneration structure of the Group.

Ms. Chen did not hold any directorship in the last three years in other public companies the securities of which are listed on any securities market in Hong Kong or overseas and does not have any relationship with any other directors, senior management or substantial or controlling shareholders of the Company and does not hold any position of the Company and

other companies within the Group. As at the date of this announcement, she does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

RESUMPTION OF TRADING IN THE SHARES

At the request of the Company, trading in the Shares on the Stock Exchange was suspended with effect from 9:00 a.m. on 26 February 2018 pending the release of this joint announcement. Application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 2 March 2018.

The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the Composite Document, including the recommendations from the Independent Board Committee to the Independent Shareholders in respect of the Offer and the letter of advice from the independent financial adviser to the Independent Board Committee. The Independent Shareholders are encouraged to read the Composite Document carefully before deciding to accept or reject the Offer.

Shareholders and potential investors are advised to exercise caution in dealing in the Shares during the Offer Period. If Shareholders and potential investors are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this joint announcement:

“acting in concert”	has the meaning defined in the Takeovers Code;
“Applicable Laws”	means any constitutions, enactments, ordinances, regulations, orders, administrative or judicial notices, judgments, common law, treaties and any other legislations or laws of any relevant jurisdictions;
“associate(s)”	has the meaning ascribed thereto under the Takeovers Code;
“Board”	means the board of Directors;
“Business Day(s)”	means a day on which banks in Hong Kong are open for business other than a Saturday or a Sunday or a day on which a tropical cyclone warning signal number 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.;

“BVI”	means the British Virgin Islands;
“Company”	means Sanroc International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares are listed on the Main Board of the Stock Exchange (stock code: 1660);
“Completion”	means the completion of the Sale and Purchase Agreement;
“Completion Date”	means the next Business Day following the date of the Sale and Purchase Agreement (or such other date as the parties hereto may agree, but in any event no later than 28 February 2018);
“Composite Document”	means the composite offer and response document to be issued jointly by the Offeror and the Company to the Shareholders in accordance with the Takeovers Code containing, amongst other things, the details of the Offer;
“Consideration”	means HK\$309,927,360, being the aggregate consideration for the Sale Shares under the Sale and Purchase Agreement;
“Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	means the director(s) of the Company;
“Encumbrance(s)”	means a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effects;
“Executive”	means the executive director of the Corporate Finance Division of the SFC from time to time or any delegate of the executive director;
“Facility”	means a loan facility granted by Hui’s (HK) Credit as lender to the Offeror as borrower for financing the Offer;
“Group”	means collectively, the Company and its subsidiaries from time to time;

“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC;
“Hui’s (HK) Credit”	means Hui’s (HK) Credit Limited, a licensed money lender to conduct business as a money lender in Hong Kong under the Money Lenders Ordinance and controlled by Mr. Hui Chor Tak (許楚德先生), who is one of the shareholders and directors of the Offeror;
“Independent Board Committee”	means the independent committee of the Board comprising all the non-executive Director and independent non-executive Directors (other than Ms. Chen Huiling), namely, Mr. Chui Kwong Fun, Mr. Leung Siu Hong and Mr. Li Ching Wing, who have no direct or indirect interest in the Offer, established for the purpose of advising the Independent Shareholders in respect of the Offer and in particular as to whether the terms of the Offer are fair and reasonable and as to acceptance of the Offer;
“Independent Shareholders”	means the Shareholders other than the Offeror, parties acting in concert with it and those who are involved in or interested in the Offer;
“Interim Report”	means the interim report of the Company for the six months ended 30 September 2017;
“Last Trading Day”	means 23 February 2018, being the last day on which the Shares were traded on the Stock Exchange prior to the suspension of trading in the Shares pending the release of this joint announcement;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Main Board”	means the main board maintained and operated by the Stock Exchange;
“Material Adverse Effect”	means any change (or effect) which, individually or in the aggregate, has a material and adverse effect on the financial position, business, assets or operations of the Group;

“Money Lenders Ordinance”	means the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
“Ms. Zhang”	Ms. ZHANG Meijuan (張美娟女士), being a shareholder of the Offeror and a party acting in concert with the Offeror according to the definition of “acting in concert” under the Takeovers Code;
“Ms. Zhang’s Existing Shareholding”	means the 60,528,000 Shares held by Ms. Zhang as at the date of this joint announcement;
“Offer”	means the unconditional mandatory cash offer for the Shares (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it) to be made by or on behalf of the Offeror and all persons acting in concert (as defined under the Takeovers Code) with the Offeror;
“Offer Period”	has the meaning ascribed to it under the Takeovers Code;
“Offer Shares”	means all the Shares in issue (other than those already owned or agreed to be acquired by the Offeror and parties acting in concert with it);
“Offeror”	means Boardwin Resources Limited, a BVI business company incorporated in the British Virgin Islands on 15 January 2018;
“Offeror’s Shareholders”	means the legal and beneficial owners of the Offeror, namely, Mr. Xu Chujia (許楚家先生), Mr. Xu Chusheng (許楚勝先生), Mr. Hui Chor Tak (許楚德先生), Ms. Zhang, Ms. Xu Jiaoli (許嬌麗女士), Mr. Xu Weizhen (許偉圳先生) and Ms. Xu Weixia (許為霞女士), who, collectively are parties acting in concert with the Offeror according to the definition of “acting in concert” under the Takeovers Code, and each a party acting in concert with the Offeror;
“PRC”	means the People’s Republic of China;
“Sale and Purchase Agreement”	means the sale and purchase agreement dated 24 February 2018 entered into by the Vendor as vendor, the Vendor’s Guarantor and the Offeror as purchaser of the sale and purchase of the Sale Shares;

“Sale Shares”	means 640,000,000 Shares, representing approximately 51.65% of the total issued share capital of the Company as at the date of this joint announcement;
“SFC”	means the Securities and Futures Commission of Hong Kong;
“SFO”	means the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);
“Share(s)”	means ordinary share(s) of HK\$0.01 each in the share capital of the Company;
“Shareholder(s)”	means holder(s) of the Share(s);
“Share Offer Price”	means the cash amount of HK\$0.4843 per Offer Share payable by the Offeror in respect of the Offer;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	means the Hong Kong Codes on Takeovers and Mergers;
“Undertaking”	means an irrevocable and unconditional undertaking dated 24 February 2018 given by Ms. Zhang that, among others, Ms. Zhang will not (i) dispose of and/or pledge to any other parties’ and/or transfer and/or otherwise make 60,528,000 Shares held by her available for acceptance for the Offer, from the date of such undertaking to the close of the Offer; and (ii) accept the Offer in respect of these 60,528,000 Shares;
“Vendor”	means Lion Spring Enterprises Limited;
“Vendor’s Guarantor”	means Mr. Siu Chun Yiu Jonathan;
“Well Link International Capital”	means Well Link International Capital Limited, a corporation licensed by the SFC to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and a joint financial adviser to the Offeror;

“Well Link Securities” means Well Link Securities Limited, a corporation licensed by the SFC to conduct Type 1 (dealing in securities) and Type 2 (dealing in futures contracts) regulated activities under the SFO and the agent making the Offer on behalf of the Offeror; and

”ZTI Capital” Zhongtai International Capital Limited, a corporation licensed by the SFC to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO and a joint financial adviser to the Offeror.

By order of the board
Boardwin Resources Limited
Xu Chujia
Director

By order of the Board
Sanroc International Holdings Limited
Siu Chun Yiu Jonathan
Chairman and executive Director

Hong Kong, 1 March 2018

As at the date of this joint announcement, the Board comprises Mr. Siu Chun Yiu Jonathan, Ms. Wong Fei Heung Terbe, Mr. Ho King Chiu, Ms. Yip Kam Ling and Ms. Cheng Shing Yan as executive Directors; Ms. Chen Huiling as non-executive Director; Mr. Chui Kwong Fun, Mr. Leung Siu Hong and Mr. Li Ching Wing as independent non-executive Directors.

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

As at the date of this joint announcement, the directors of the Offeror are Mr. Xu Chujia, Mr. Hui Chor Tak, Ms. Zhang Meijuan, Ms. Xu Jiaoli and Mr. Xu Weizhen.

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

The English text of this joint announcement shall prevail over its Chinese text.

** For identification only*