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**GOLDEN SHIELD**  
Holdings . Industrial . Limited

**GOLDEN SHIELD HOLDINGS (INDUSTRIAL) LIMITED**

**(In Compulsory Liquidation in Hong Kong)**

**金盾控股（實業）有限公司**

**（香港強制清盤中）**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 2123)**

**SUPPLEMENTAL ANNOUNCEMENT**

- (I) VERY SUBSTANTIAL ACQUISITION IN RELATION TO  
THE ACQUISITION OF THE TARGET GROUP;  
(II) SUBSCRIPTION OF ADJUSTED SHARES;  
(III) OTHER PROPOSED ARRANGEMENTS;  
AND  
(IV) APPLICATION FOR WHITEWASH WAIVER**

**Financial adviser to the Company**

**VEDA | CAPITAL**  
**智 略 資 本**

References are made to (i) the Announcement in relation to, among other matters, the proposed Acquisition and the proposed Subscription and; (ii) the announcements issued by the Company dated 26 June 2017, 31 October 2017, 29 December 2017, 29 March 2018, 29 June 2018 and 31 October 2018 respectively in relation to the delay in despatch of the circular. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

## **AMENDMENT AND RESTATEMENT AGREEMENT TO THE SHARE TRANSFER AGREEMENT**

On 28 December 2018, the Company, the Liquidators and the Vendor entered into the Amendment and Restatement Agreement to the Share Transfer Agreement to amend and restate the Share Transfer Agreement (as amended and supplemented by a supplemental agreement dated 2 February 2017 and as amended and restated by an amendment and restatement agreement dated 5 June 2017, and as amended and supplemented by an extension letter dated 29 June 2018 to extend the long stop date to 30 June 2019), pursuant to which the Share Transfer Completion shall be conditional upon and subject to additional conditions: (i) the entering into of the Call Option Agreements and the Conditional SPAs, and fulfillment of all conditions precedent (or waiver thereof, as the case may be) set out therein respectively; and (ii) the entering into of a three (3) years fixed term directors' service agreement/letter of appointment between the Company and with each of Mr. Yang and Mr. Saint-Cricq (as at the date of this announcement, both Mr. Yang and Mr. Saint-Cricq are not Shareholders). The last date for the fulfillment of the conditions (or waiver thereof, as the case may be) set out in the Amendment and Restatement Agreement to the Share Transfer Agreement is extended to 31 December 2019.

Save and except for the aforesaid and the corresponding and consequential changes, all other terms of the Share Transfer Agreement (as subsequently amended and supplemented) shall remain unchanged and continue in full force and effect.

## **AMENDMENT AND RESTATEMENT AGREEMENT TO THE SALE AND PURCHASE AGREEMENT**

On 28 December 2018, the Company, the Liquidators and the Investor entered into the Amendment and Restatement Agreement to the Sale and Purchase Agreement to amend and restate the Sale and Purchase Agreement (as amended and supplemented by an extension letter dated 29 June 2018 to extend the long stop late to 30 June 2019), pursuant to which the Sale and Purchase Completion shall be conditional upon and subject to additional conditions: (i) the entering into of the Call Option Agreements and the Conditional SPAs, and fulfillment of all conditions precedent (or waiver thereof, as the case may be) set out therein respectively; and (ii) the entering into of a three (3) years fixed term directors' service agreement/letter of appointment between the Company and with each of Mr. Yang and Mr. Saint-Cricq. The last date for the fulfillment of the conditions (or waiver thereof, as the case may be) set out in the Amendment and Restatement Agreement to the Sale and Purchase Agreement is extended to 31 December 2019. Pursuant to the Sale and Purchase Agreement (as subsequently amended and supplemented), the Investor shall procure completion of the Call Option Agreements (should Mr. Yang and/or Mr. Saint-Cricq elects to exercise the Call Option) and the Conditional SPAs to take place immediately after the Subscription Completion.

Save and except for the aforesaid and the corresponding and consequential changes, all other terms of the Sale and Purchase Agreement (as subsequently amended and supplemented) shall remain unchanged and continue in full force and effect.

## AMENDMENT AND RESTATEMENT AGREEMENT TO THE SUBSCRIPTION AGREEMENT

On 28 December 2018, the Company, the Liquidators, the Investor and the Guarantor entered into the Amendment and Restatement Agreement to the Subscription Agreement to amend and restate the Subscription Agreement, pursuant to which the number of Subscription Shares to be subscribed by the Investor will increase from 375,000,000 Adjusted Shares to 630,000,000 Adjusted Shares. Meanwhile, the subscription price of HK\$0.56 per Subscription Share remains unchanged. With the increase of the number of the Subscription Shares to be issued and allotted to the Investor, a total consideration of HK\$352,800,000 (subject to adjustment) will be received by the Company. The last date for the fulfillment of the conditions (or waiver thereof, as the case may be) set out in the Amendment and Restatement Agreement to the Subscription Agreement is extended to 31 December 2019.

### Payment

The Subscription Monies shall be in the aggregate sum of HK\$352,800,000 in cash (subject to adjustment), which shall be payable by the Investor to the Company in the following manner (which could be varied as agreed by the Liquidators and the Investor from time to time):

- (a) as to HK\$2,000,000, as deposit (the “**1st Deposit**”) and part payment of the Subscription Monies, on the date of the Subscription Agreement (as at the date of this announcement, the 1st Deposit has been paid);
- (b) as to HK\$1,000,000, as deposit (the “**2nd Deposit**”) and part payment of the Subscription Monies, on the date of submission of resumption proposal in relation to the resumption of the Shares to the Stock Exchange, and in any event, no later than 16 December 2016 (as at the date of this announcement, the 2nd Deposit has been paid);
- (c) as to HK\$3,000,000, as deposit (the “**3rd Deposit**”) and part payment of the Subscription Monies, on the date of the submission of the draft circular in relation to the Proposed Restructuring or the date of the submission of the listing application of the Company as a result of the transactions contemplated under the Share Transfer Agreement (as subsequently amended and supplemented) and the Sale and Purchase Agreement (as subsequently amended and supplemented), whichever is earlier (as at the date of this announcement, the 3rd Deposit has been paid);
- (d) as to HK\$950,000, as deposit (the “**4th Deposit**”) and part payment of the Subscription Monies, on or before 30 November 2018 (as at the date of this announcement, the 4th Deposit has been paid);

- (e) as to HK\$1,065,000, as deposit (the “**5th Deposit**”) and part payment of the Subscription Monies, on or before the date of the submission of the listing application in relation to the Proposed Restructuring of the Company filing by the new sponsor of the Company as a result of the transactions contemplated under the Share Transfer Agreement (as subsequently amended and supplemented) and the Sale and Purchase Agreement (as subsequently amended and supplemented);
- (f) as to HK\$2,814,000, as deposit (the “**6th Deposit**”) and part payment of the Subscription Monies, on the date of the hearing of the listing application of the Company by the Listing Committee of the Stock Exchange;
- (g) as to HK\$3,872,000, as deposit (the “**7th Deposit**”, together with the 1st Deposit, the 2nd Deposit, the 3rd Deposit, the 4th Deposit, 5th Deposit and 6th Deposit, collectively known as the “**Deposits**”) and part payment of the Subscription Monies, on the date of the despatch of the circular relating to the Proposed Restructuring;
- (h) as to HK\$34,500,000 shall be satisfied and/or made by the Investor to the Company by setting off against the consideration under the Sale and Purchase Agreement (as subsequently amended and supplemented) in the amount of HK\$34,500,000 payable by the Company to the Investor pursuant to the Sale and Purchase Agreement (as subsequently amended and supplemented) on the Subscription Completion; and
- (i) the remaining balance (the “**Remaining Balance**”) of the Subscription Monies of HK\$303,599,000 on the date of Subscription Completion (subject to adjustment).

Save and except for the aforesaid and the corresponding and consequential changes, all other terms of the Subscription Agreement (as subsequently amended and supplemented) shall remain unchanged and continue in full force and effect.

### **Reasons for the Amendment and Restatement Agreement to the Subscription Agreement**

On 15 February 2018, the new requirement under Rule 8.09(2) of the Listing Rules took effect and under the amended Rule 8.09(2), the minimum market capitalisation of a new listing applicant at the time of listing must be at least HK\$500 million, and under the amended Rule 8.09(1) of the Listing Rules, the minimum market capitalisation at the time of listing of the securities of a new applicant which are held by the public must be at least HK\$125 million (collectively, the “**Amended Rules**”).

In the case of the Company, the Amended Rules apply. With a view to fulfilling the new requirements under the Amended Rules as well as further facilitate the expansion and development of the business of the Restructured Group upon Acquisition Completion, the Company has entered into the Amendment and Restatement Agreement to the Subscription Agreement.

## **OTHER PROPOSED ARRANGEMENTS**

### **Proposed adoption of a Share Award Scheme by the new Board of the Company after Resumption**

With the objective to incentivize the employees of the Company in the underlying business to be carried by the Restructured Group upon the Acquisition Completion, it is currently contemplated that the new Board of the Company will, after Resumption, adopt the Share Award Scheme. The principal purposes of the proposed Share Award Scheme is (i) to recognise and motivate the contribution of the key management personnel, employed experts and core employees of the Restructured Group; (ii) to enhance the value of the Company and further align the interests of the selected participants under the Share Award Scheme through ownership of shares of the Company; and (iii) to help the Restructured Group to retain the talents in attaining the long-term business objectives of the Company.

As currently contemplated, the new Board of the Company will not make any further grant of Award Shares which will result in the number of Shares granted under the Share Award Scheme exceeding 5% of the total number of issued Shares as at the Adoption Date, and no Award Shares will be granted during the period of three years after the Adoption Date.

The Share Award Scheme will be a discretionary scheme of the Company, which will not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules. Accordingly, no Shareholders' approval is required for the adoption of the Share Award Scheme by the new Board of the Company after Resumption.

### **Other proposed arrangements between the Investor and two proposed executive Directors of the Company**

Upon the Acquisition Completion and the Subscription Completion, the Investor will become the controlling shareholder (within the meaning of the Listing Rules) of the Company. The Investor intends to put into place and enter into the following proposed arrangements with Mr. Yang and Mr. Saint-Cricq, the two proposed executive Directors of the Company and who have been part of the core management of the underlying business of the Target Group, with a view to providing additional incentives to them and aligning their interests with the Investor at the shareholder level.

#### **(I) Conditional Sale and Purchase of Adjusted Shares between the Investor, and Mr. Yang and Mr. Saint-Cricq**

In order to align the interest of the Investor and Mr. Yang and Mr. Saint-Cricq at the shareholder level, the Investor intends to enter into the respective Conditional SPAs with each of Mr. Yang and Mr. Saint-Cricq. Pursuant to the proposed terms and conditions of the Conditional SPAs, the Investor will sell and Mr. Yang and Mr. Saint-Cricq will purchase an aggregate of 11,158,973 Adjusted Shares (in which 5,502,723 Adjusted Shares will be transferred and sold to Mr. Yang and 5,656,250 Adjusted

Shares will be transferred and sold to Mr. Saint-Cricq) as held by the Investor upon the Acquisition Completion and the Subscription Completion for an aggregate consideration of approximately HK\$6,249,025 (i.e. the consideration for each Adjusted Share is HK\$0.56), representing approximately 0.66% and 0.68% of the issued share capital of the Company respectively immediately after the issue of Subscription Shares, the completion of Open Offer and the purchase of Adjusted Shares by Mr. Yang and Mr. Saint-Cricq respectively from the Investor but before the exercise of the Call Option, the issue of Scheme Shares and the Award Shares. Further details of the change in the shareholding structure of the Company is set out in the section headed “EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY” below. The consideration for the Adjusted Shares subject to the Conditional SPAs will be paid by Mr. Yang and Mr. Saint-Cricq in cash. As currently contemplated and assuming fulfilment (or waiver, as the case may be) of the conditions precedent to be agreed between the parties and set forth in the Conditional SPAs, the sale and purchase of Adjusted Shares pursuant to the Conditional SPAs is expected to be completed upon the Acquisition Completion and the Subscription Completion.

## **(II) Call Option to be granted by the Investor to Mr. Yang and Mr. Saint-Cricq**

To further align the interest of the Investor, being the new controlling shareholder of the Company, and Mr. Yang and Mr. Saint-Cricq, the Investor intends to grant to each of Mr. Yang and Mr. Saint-Cricq the Call Option by entering into the conditional Call Option Agreements with each of Mr. Yang and Mr. Saint-Cricq. Pursuant to the proposed terms and conditions of the conditional Call Option Agreements, the Investor will grant to Mr. Yang and Mr. Saint-Cricq the relevant Call Option, upon full exercise of which, an aggregate of 35,000,000 Adjusted Shares will be sold by the Investor to Mr. Yang and Mr. Saint-Cricq at the consideration of HK\$0.56 per Adjusted Share (in which Mr. Yang will be entitled to exercise the Call Option to purchase a maximum of 17,259,232 Adjusted Shares from the Investor and Mr. Saint-Cricq will be entitled to exercise the Call Option to purchase a maximum of 17,740,768 Adjusted Shares from the Investor). As currently contemplated and assuming fulfilment (or waiver, as the case may be) of the conditions precedent to be agreed between the parties and set forth in the Call Option Agreements, completion of the sale and purchase of Adjusted Shares pursuant to thereto (should Mr. Yang and/or Mr. Saint-Cricq elect to exercise the Call Option) is expected to be completed upon the Acquisition Completion and the Subscription Completion.

Further details of the change in the shareholding structure of the Company is set out in the section headed “EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY” below.

## **EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY**

For illustration purpose only, the following shareholding table shows the changes in the shareholding of the Company as a result of, among others, the increase in the number of Subscription Shares to be issued and allotted to the Investor pursuant to the Amendment and Restatement Agreement to the Subscription Agreement, the Proposed Restructuring, the Adjusted Shares to be acquired by Mr. Yang and Mr. Saint-Cricq under the Conditional SPAs

and upon exercise in full of the Call Option (should Mr. Yang and Mr. Saint-Cricq elect to exercise the Call Option), and the Award Shares (assuming the Share Award Scheme will be adopted by the new Board of the Company and the maximum number of Shares which may be granted thereunder are fully allotted and issued).

(i) Assuming full acceptance of the Offer Shares and exercise of the Call Option by Mr. Yang and Mr. Saint-Cricq

	(i)		(ii)		(iii)		(iv)		(v)		(vi)			
	As at the date of this announcement		Immediately after the completion of the Capital Reorganization		Immediately after (i) and the issue of the Subscription Shares		Immediately after (ii) and the Open Offer assuming full acceptance of the Offer Shares		Immediately after (iii) Mr. Yang and Mr. Saint-Cricq purchase 11,158,973 Adjusted Shares from the Investor and the exercise of the Call Option by Mr. Yang and Mr. Saint-Cricq		Immediately after (iv) and the issue of the Scheme Shares		Immediately after (v) and the issue of the Award Shares	
	No. of Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%
Tong Fa Limited (Note 1)	527,464,000	46.68%	52,746,400	46.68%	52,746,400	7.10%	52,746,400	6.33%	52,746,400	6.33%	52,746,400	5.83%	52,746,400	5.53%
Investor	-	-	-	-	630,000,000	84.79%	630,000,000	75.60%	583,841,027	70.06%	583,841,027	64.49%	583,841,027	61.26%
Mr. Yang	-	-	-	-	-	-	-	-	22,761,955	2.73%	22,761,955	2.51%	22,761,955	2.39% (Note 2)
Mr. Saint-Cricq	-	-	-	-	-	-	-	-	23,397,018	2.81%	23,397,018	2.58%	23,397,018	2.46% (Note 2)
Wealth Lake Investment Limited	56,512,000	5.00%	5,651,200	5.00%	5,651,200	0.76%	10,172,160	1.22%	10,172,160	1.22%	10,172,160	1.12%	10,172,160	1.07%
Creditors	-	-	-	-	-	-	-	-	-	-	72,000,000	7.95%	72,000,000	7.55%
Underwriter	-	-	-	-	-	-	42,197,120	5.06%	42,197,120	5.06%	42,197,120	4.66%	42,197,120	4.43%
Selected participants under the Share Award Scheme (Note 2)	-	-	-	-	-	-	-	-	-	-	-	-	47,651,684	5.00%
Other public Shareholders	545,924,000	48.32%	54,592,400	48.32%	54,592,400	7.35%	98,266,320	11.79%	98,266,320	11.79%	98,266,320	10.85%	98,266,320	10.31%
<b>Total</b>	<b>1,129,900,000</b>	<b>100.00%</b>	<b>112,990,000</b>	<b>100.00%</b>	<b>742,990,000</b>	<b>100.00%</b>	<b>833,382,000</b>	<b>100.00%</b>	<b>833,382,000</b>	<b>100.00%</b>	<b>905,382,000</b>	<b>100.00%</b>	<b>953,033,684</b>	<b>100.00%</b>

**Note 1:** According to the strike off notice of the BVI agent of Tong Fa Limited as available to the Company, Tong Fa Limited has been struck off from the BVI Government Register with effect from 1 May 2016. As at the date of this announcement, there is no information showing that Tong Fa Limited has applied to the registrar for restoration. Accordingly, in preparing these shareholding tables, it is assumed that Tong Fa Limited will not exercise its right to subscribe for any Offer Shares under the Open Offer.

**Note 2:** The new Board of the Company may, from time to time, at its absolute discretion, select any employee or directors (including, without limitation, any executive, non-executive or independent non-executive Director) of any member of the Restructured Group and such other qualifying participants to participate in the Share Award Scheme as the selected participants. For illustration purpose only, Mr. Yang will hold a maximum of 70,413,639 Adjusted Shares, representing approximately 7.39% of the total issued share capital of the Company assuming Mr. Yang receives all the Award Shares. On the other hand, Mr. Saint-Cricq will hold 71,048,702 Adjusted Shares, representing approximately 7.46% of total issued share capital of the Company assuming Mr. Saint-Cricq receives all the Award Shares.

(ii) Assuming full acceptance of the Offer Shares and no exercise of the Call Option by Mr. Yang and Mr. Saint-Cricq

	(i)		(ii)		(iii)		(iv)		(v)		(vi)			
	As at the date of this announcement		Immediately after the completion of the Capital Reorganization		Immediately after (i) and the issue of the Subscription Shares		Immediately after (ii) and the Open Offer assuming full acceptance of the Offer Shares		Immediately after (iii) Mr. Yang and Mr. Saint-Cricq purchase 11,158,973 Adjusted Shares from the Investor and no exercise of the Call Option by Mr. Yang and Mr. Saint-Cricq		Immediately after (iv) and the issue of the Scheme Shares		Immediately after (v) and the issue of the Award Shares	
	No. of Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%
Tong Fa Limited (Note 3)	527,464,000	46.68%	52,746,400	46.68%	52,746,400	7.10%	52,746,400	6.33%	52,746,400	6.33%	52,746,400	5.83%	52,746,400	5.53%
Investor	-	-	-	-	630,000,000	84.79%	630,000,000	75.60%	618,841,027	74.26%	618,841,027	68.35%	618,841,027	64.93%
Mr. Yang	-	-	-	-	-	-	-	-	5,502,723	0.66%	5,502,723	0.61%	5,502,723	0.58% (Note 4)
Mr. Saint-Cricq	-	-	-	-	-	-	-	-	5,656,250	0.68%	5,656,250	0.62%	5,656,250	0.59% (Note 4)
Wealth Lake Investment Limited	56,512,000	5.00%	5,651,200	5.00%	5,651,200	0.76%	10,172,160	1.22%	10,172,160	1.22%	10,172,160	1.12%	10,172,160	1.07%
Creditors	-	-	-	-	-	-	-	-	-	-	72,000,000	7.95%	72,000,000	7.55%
Underwriter	-	-	-	-	-	-	42,197,120	5.06%	42,197,120	5.06%	42,197,120	4.66%	42,197,120	4.43%
Selected participants under the Share Award Scheme (Note 4)	-	-	-	-	-	-	-	-	-	-	-	-	47,651,684	5.00%
Other public Shareholders	545,924,000	48.32%	54,592,400	48.32%	54,592,400	7.35%	98,266,320	11.79%	98,266,320	11.79%	98,266,320	10.85%	98,266,320	10.31%
<b>Total</b>	<b>1,129,900,000</b>	<b>100.00%</b>	<b>112,990,000</b>	<b>100.00%</b>	<b>742,990,000</b>	<b>100.00%</b>	<b>833,382,000</b>	<b>100.00%</b>	<b>833,382,000</b>	<b>100.00%</b>	<b>905,382,000</b>	<b>100.00%</b>	<b>953,033,684</b>	<b>100.00%</b>

**Note 3:** According to the strike off notice of the BVI agent of Tong Fa Limited as available to the Company, Tong Fa Limited has been struck off from the BVI Government Register with effect from 1 May 2016. As at the date of this announcement, there is no information showing that Tong Fa Limited has applied to the registrar for restoration. Accordingly, in preparing these shareholding tables, it is assumed that Tong Fa Limited will not exercise its right to subscribe for any Offer Shares under the Open Offer.

**Note 4:** The new Board of the Company may, from time to time, at its absolute discretion, select any employee or directors (including, without limitation, any executive, non-executive or independent non-executive Director) of any member of the Restructured Group and such other qualifying participants to participate in the Share Award Scheme as the selected participants. For illustration purpose only, Mr. Yang will hold a maximum of 53,154,407 Adjusted Shares, representing approximately 5.58% of the total issued share capital of the Company assuming Mr. Yang receives all the Award Shares. On the other hand, Mr. Saint-Cricq will hold 53,307,934 Adjusted Shares, representing approximately 5.59% of total issued share capital of the Company assuming Mr. Saint-Cricq receives all the Award Shares.



(iii) Assuming no acceptance of the Offer Shares and exercise of the Call Option by Mr. Yang and Mr. Saint-Cricq

	(i)		(ii)		(iii)		(iv)		(v)		(vi)			
	As at the date of this announcement		Immediately after the completion of the Capital Reorganization		Immediately after (i) and the issue of the Subscription Shares		Immediately after (ii) and the Open Offer assuming no acceptance of the Offer Shares		Immediately after (iii) Mr. Yang and Mr. Saint-Cricq purchase 11,158,973 Adjusted Shares from the Investor and the exercise of the Call Option by Mr. Yang and Mr. Saint-Cricq		Immediately after (iv) and the issue of the Scheme Shares		Immediately after (v) and the issue of the Award Shares	
	No. of Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%
Tong Fa Limited (Note 5)	527,464,000	46.68%	52,746,400	46.68%	52,746,400	7.10%	52,746,400	6.33%	52,746,400	6.33%	52,746,400	5.83%	52,746,400	5.53%
Investor	-	-	-	-	630,000,000	84.79%	630,000,000	75.60%	583,841,027	70.06%	583,841,027	64.49%	583,841,027	61.26%
Mr. Yang	-	-	-	-	-	-	-	-	22,761,955	2.73%	22,761,955	2.51%	22,761,955	2.39% (Note 6)
Mr. Saint-Cricq	-	-	-	-	-	-	-	-	23,397,018	2.81%	23,397,018	2.58%	23,397,018	2.46% (Note 6)
Wealth Lake Investment Limited	56,512,000	5.00%	5,651,200	5.00%	5,651,200	0.76%	5,651,200	0.68%	5,651,200	0.68%	5,651,200	0.62%	5,651,200	0.59%
Creditors	-	-	-	-	-	-	-	-	-	-	72,000,000	7.95%	72,000,000	7.55%
Underwriter	-	-	-	-	-	-	90,392,000	10.85%	90,392,000	10.85%	90,392,000	9.98%	90,392,000	9.48%
Selected participants under the Share Award Scheme (Note 6)	-	-	-	-	-	-	-	-	-	-	-	-	47,651,684	5.00%
Other public Shareholders	545,924,000	48.32%	54,592,400	48.32%	54,592,400	7.35%	54,592,400	6.55%	54,592,400	6.55%	54,592,400	6.03%	54,592,400	5.73%
<b>Total</b>	<b>1,129,900,000</b>	<b>100.00%</b>	<b>112,990,000</b>	<b>100.00%</b>	<b>742,990,000</b>	<b>100.00%</b>	<b>833,382,000</b>	<b>100.00%</b>	<b>833,382,000</b>	<b>100.00%</b>	<b>905,382,000</b>	<b>100.00%</b>	<b>953,033,684</b>	<b>100.00%</b>

*Note 5:* According to the strike off notice of the BVI agent of Tong Fa Limited as available to the Company, Tong Fa Limited has been struck off from the BVI Government Register with effect from 1 May 2016. As at the date of this announcement, there is no information showing that Tong Fa Limited has applied to the registrar for restoration. Accordingly, in preparing these shareholding tables, it is assumed that Tong Fa Limited will not exercise its right to subscribe for any Offer Shares under the Open Offer.

*Note 6:* The new Board of the Company may, from time to time, at its absolute discretion, select any employee or directors (including, without limitation, any executive, non-executive or independent non-executive Director) of any member of the Restructured Group and such other qualifying participants to participate in the Share Award Scheme as the selected participants. For illustration purpose only, Mr. Yang will hold a maximum of 70,413,639 Adjusted Shares, representing approximately 7.39% of the total issued share capital of the Company assuming Mr. Yang receives all the Award Shares. On the other hand, Mr. Saint-Cricq will hold 71,048,702 Adjusted Shares, representing approximately 7.46% of total issued share capital of the Company assuming Mr. Saint-Cricq receives all the Award Shares.

(iv) Assuming no acceptance of the Offer Shares and no exercise of the Call Option by Mr. Yang and Mr. Saint-Cricq

	(i)		(ii)		(iii)		(iv)		(v)		(vi)			
	As at the date of this announcement		Immediately after the completion of the Capital Reorganization		Immediately after (i) and the issue of the Subscription Shares		Immediately after (ii) and the Open Offer assuming no acceptance of the Offer Shares		Immediately after (iii) Mr. Yang and Mr. Saint-Cricq purchase 11,158,973 Adjusted Shares from the Investor and no exercise of the Call Option by Mr. Yang and Mr. Saint-Cricq		Immediately after (iv) and the issue of the Scheme Shares		Immediately after (v) and the issue of the Award Shares	
	No. of Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%	No. of Adjusted Shares	%
Tong Fa Limited (Note 7)	527,464,000	46.68%	52,746,400	46.68%	52,746,400	7.10%	52,746,400	6.33%	52,746,400	6.33%	52,746,400	5.83%	52,746,400	5.53%
Investor	-	-	-	-	630,000,000	84.79%	630,000,000	75.60%	618,841,027	74.26%	618,841,027	68.35%	618,841,027	64.93%
Mr. Yang	-	-	-	-	-	-	-	-	5,502,723	0.66%	5,502,723	0.61%	5,502,723	0.58% (Note 8)
Mr. Saint-Cricq	-	-	-	-	-	-	-	-	5,656,250	0.68%	5,656,250	0.62%	5,656,250	0.59% (Note 8)
Wealth Lake Investment Limited	56,512,000	5.00%	5,651,200	5.00%	5,651,200	0.76%	5,651,200	0.68%	5,651,200	0.68%	5,651,200	0.62%	5,651,200	0.59%
Creditors	-	-	-	-	-	-	-	-	-	-	72,000,000	7.95%	72,000,000	7.55%
Underwriter	-	-	-	-	-	-	90,392,000	10.85%	90,392,000	10.85%	90,392,000	9.98%	90,392,000	9.48%
Selected participants under the Share Award Scheme (Note 8)	-	-	-	-	-	-	-	-	-	-	-	-	47,651,684	5.00%
Other public Shareholders	545,924,000	48.32%	54,592,400	48.32%	54,592,400	7.35%	54,592,400	6.55%	54,592,400	6.55%	54,592,400	6.03%	54,592,400	5.73%
<b>Total</b>	<b>1,129,900,000</b>	<b>100.00%</b>	<b>112,990,000</b>	<b>100.00%</b>	<b>742,990,000</b>	<b>100.00%</b>	<b>833,382,000</b>	<b>100.00%</b>	<b>833,382,000</b>	<b>100.00%</b>	<b>905,382,000</b>	<b>100.00%</b>	<b>953,033,684</b>	<b>100.00%</b>

*Note 7:* According to the strike off notice of the BVI agent of Tong Fa Limited as available to the Company, Tong Fa Limited has been struck off from the BVI Government Register with effect from 1 May 2016. As at the date of this announcement, there is no information showing that Tong Fa Limited has applied to the registrar for restoration. Accordingly, in preparing these shareholding tables, it is assumed that Tong Fa Limited will not exercise its right to subscribe for any Offer Shares under the Open Offer.

*Note 8:* The new Board of the Company may, from time to time, at its absolute discretion, select any employee or directors (including, without limitation, any executive, non-executive or independent non-executive Director) of any member of the Restructured Group and such other qualifying participants to participate in the Share Award Scheme as the selected participants. For illustration purpose only, Mr. Yang will hold a maximum of 53,154,407 Adjusted Shares, representing approximately 5.58% of the total issued share capital of the Company assuming Mr. Yang receives all the Award Shares. On the other hand, Mr. Saint-Cricq will hold 53,307,934 Adjusted Shares, representing approximately 5.59% of total issued share capital of the Company assuming Mr. Saint-Cricq receives all the Award Shares.

## **IMPLICATIONS OF THE SUBSCRIPTION UNDER THE TAKEOVERS CODE AND APPLICATION FOR WHITEWASH WAIVER**

As at the date of this announcement, the Investor and parties acting in concert with it are not interested in any Shares. Upon the implementation of the transactions contemplated under this announcement, taking into account of the Capital Reorganization, the issue of the Subscription Shares, the Scheme Shares and the Offer Shares, the Investor and parties acting in concert with it will, in aggregate, hold approximately 69.58% of the enlarged issued share capital of the Company.

Under Rule 26 of the Takeovers Code, the acquisition of 30% or more of the voting rights will trigger an obligation on the Investor to make a general offer for all the securities of the Company other than those already owned or agreed to be acquired by the Investor and parties acting in concert with it, unless the Whitewash Waiver is granted by the Executive and approved by the Independent Shareholders at the SGM by way of poll.

The Investor will make an application to the Executive for the Whitewash Waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code. The Whitewash Waiver, if granted by the Executive, will be subject to, among other things, approval by the Independent Shareholders at the SGM by way of poll, in which the Investor and parties acting in concert with it and those who are involved in or interested in the Proposed Restructuring will abstain from voting on the relevant resolution(s). The Executive may or may not grant the Whitewash Waiver. If the Whitewash Waiver is not granted, the Proposed Restructuring will terminate forthwith.

## **CONTINUED SUSPENSION OF TRADING IN THE SHARES**

Dealing in the shares of the Company on the Main Board of the Stock Exchange has been suspended since 1 April 2014 and will remain suspended until further notice.

Further announcement(s) setting out the progress of the new listing application and the Resumption will be made by the Company as and when appropriate and in accordance with the relevant requirements of the Takeovers Code and the Listing Rules (as the case may be).

## **WARNING**

**The proposed transactions contemplated under the Resumption Proposal are subject to a number of conditions precedents (including the grant of Whitewash Waiver by the Executive) which may or may not be fulfilled and are subject to change upon the review of the Stock Exchange.**

**In addition, the Stock Exchange’s approval for the new listing application made by the Company may or may not be granted and the Whitewash Waiver may or may not be granted by the Executive Director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong or any delegate of the Executive Director, therefore the proposed transactions contemplated under the Resumption Proposal may or may not proceed.**

**Shareholders and potential investors should note that the resumption of trading in the shares of the Company on the Stock Exchange is subject to various conditions which may or may not be fulfilled. There is no guarantee that the resumption of trading in the shares of the Company on the Stock Exchange will take place. Shareholders and potential investors are reminded to exercise caution when dealing in the shares of the Company.**

## **Definitions**

In this announcement, unless the context requires otherwise, the following expressions shall have the following meanings:

“Amendment and Restatement Agreement to the Sale and Purchase Agreement”	the amendment and restatement agreement to the Sale and Purchase Agreement dated 28 December 2018 and entered into among the Company, the Liquidators and Investor to amend certain terms in the Sale and Purchase Agreement
“Amendment and Restatement Agreement to the Share Transfer Agreement”	the amendment and restatement agreement to the Share Transfer Agreement dated 28 December 2018 and entered into among the Company, the Liquidators and Vendor to amend certain terms in the Share Transfer Agreement
“Amendment and Restatement Agreement to the Subscription Agreement”	the amendment and restatement agreement to the Subscription Agreement dated 28 December 2018 and entered into among the Company, the Liquidators, the Investor and the Guarantor, pursuant to which among other matters, the number of Subscription Shares to be subscribed by the Investor will increase from 375,000,000 Adjusted Shares to 630,000,000 Adjusted Shares
“Announcement”	the Company’s announcement dated 5 June 2017 in relation to, among other things, (i) the Capital Reorganization; (ii) the Acquisition; (iii) reverse takeover involving a new listing application; (iv) the Subscription; (v) the Whitewash Waiver; (vi) the Open Offer; (vii) the Disposal; (viii) the Schemes; (ix) the removal of Directors; (x) the appointment of new Directors; and (xi) the proposed adoption of the New Bye-laws

“Adoption Date”	the date on which the Share Award Scheme will be adopted by the new Board of the Company
“Award Shares”	the Shares which may be granted to a selected participant under the Share Award Scheme
“BVI”	the British Virgin Islands
“Call Option”	call option to be granted by the Investor to each of Mr. Yang and Mr. Saint-Cricq pursuant to the Call Option Agreements
“Call Option Agreements”	the conditional call option agreements to be entered between the Investor and each of Mr. Yang and Mr. Saint-Cricq respectively, pursuant to which the Investor will grant to each of Mr. Yang and Mr. Saint-Cricq the Call Option
“Company”	Golden Shield Holdings (Industrial) Limited (In Compulsory Liquidation in Hong Kong), a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2123)
“Conditional SPAs”	the conditional sale and purchase agreements to be entered into between the Investor and each of Mr. Yang and Mr. Saint-Cricq respectively, pursuant to which the Investor will sell and Mr. Yang and Mr. Saint-Cricq will purchase an aggregate of 11,158,973 Adjusted Shares (i.e. 5,502,723 Adjusted Shares by Mr. Yang, and 5,656,250 Adjusted Shares by Mr. Saint-Cricq) as held by the Investor upon the Acquisition Completion and the Subscription Completion for an aggregate consideration of approximately HK\$6,249,025 (i.e. the consideration for each Adjusted Share is HK\$0.56)
“Investor”	Well Goal Limited, a company incorporated in Hong Kong on 11 November 2016 with limited liability, an Independent Third Party
“Mr. Saint-Cricq”	Mr. Olivier Saint-Cricq, a proposed executive Director of the Company
“Mr. Yang”	Mr. Yang Leyong, a proposed executive Director of the Company

“Share Award Scheme”

the share award scheme contemplated to be adopted by the new Board of the Company after Resumption

For and on behalf of  
**Golden Shield Holdings (Industrial) Limited**  
**(In Compulsory Liquidation in Hong Kong)**  
**Osman Mohammed Arab**  
**Wong Kwok Keung**  
*Joint and Several Liquidators*  
*acting as agents for and on behalf of*  
*Golden Shield Holdings (Industrial) Limited*  
*without personal liabilities*

Hong Kong, 28 December 2018

*The Liquidators jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Target Group, the Vendor and the Investor) 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 respective director(s) of the Investor and the Vendor) 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 statements in this announcement misleading.*

*The directors of the Vendor jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Group, the Investor, and Target Company II and its subsidiaries) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement 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 statements in this announcement misleading.*

*The sole director of the Investor accepts full responsibility for the accuracy of the information contained in this announcement (other than those relating to the Group, the Vendor, and Target Company I and its subsidiaries) and confirms, having made all reasonable enquiries, that to the best of her knowledge, opinions expressed in this announcement 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 statements in this announcement misleading.*

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

\* For identification purposes only