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## **China Fortune Holdings Limited**

**中國長遠控股有限公司\***

*(Incorporated in Bermuda with limited liability, carrying on business in H.K. as CFH Ltd.)*

**(Stock code : 110)**

### **CLARIFICATION ANNOUNCEMENT**

Reference is made to the annual report for the year ended 31 December 2014 (the "Annual Report") issued by China Fortune Holdings Limited (the "Company"), in relation to the issue of shares and the issue of warrants (the "Fund Raising") under general mandate. Unless otherwise defined, capitalized terms used in this announcement shall have the same meaning as defined in the Annual Report and the Announcement dated 20 May 2014.

The Board would like to supplement the information required under paragraph 11 of Appendix 16 to the Listing Rules relating to the Fund Raising in the Annual Report as below:

On 20 May 2014, the Company entered into a placing agreement with Convoy Investment Services Limited (as placing agent) for the placing of up to 160,000,000 Warrants of the Company at the Issue Price of HK\$0.01 per Warrant. The Subscription Price attaching to each Warrant is HK\$0.50 per Subscription Share (subject to adjustment). The closing price of the shares of the Company was HK\$0.44 per Share as quoted on the Stock Exchange on the date of the placing agreement. The Placing was completed on 15 July 2014 and an aggregate of 160,000,000 Warrants were issued to not less than six investors, who are individual investors, being third parties independent of the Company and its connected persons (as defined under the Listing Rules). The Warrants confers its holders the right to subscribe for Subscription Shares during a period of two years commencing from 15 July 2014. The Subscription Shares to be issued pursuant thereto shall be issued and allotted under the general mandate to issue shares granted to the Directors at the annual general meeting of the Company held on 21 May 2013. The Company raised a net proceed of approximately HK\$1.3 million from the issue of the Warrants and had been utilised as general working capital of the Group. The Placing would enhance the capital and shareholders' base of the Company.

As at 31 December 2014, an aggregate of 1,200,000 Subscription Shares have been issued upon exercise of the subscription rights attaching to the 1,200,000 Warrants, whilst 158,800,000 Warrants remain outstanding and unexercised. A net proceeds of approximately HK\$0.6 million arising from exercising such 1,200,000 Warrants have been raised. The Company has utilised such net proceeds as general working capital of the Group.

By the order of the Board  
**China Fortune Holdings Limited**

**Lau Siu Ying**  
Chairman and Chief Executive Officer

Hong Kong, 19 August 2015

*As at the date of this announcement, the Board comprises three executive directors, namely Mr. Lau Siu Ying, Mr. Luo Xi Zhi and Mr. Wang Yu, and three independent non-executive directors, namely Mr. Chang Wing Seng, Victor, Mr. Wong Lit Chor, Alexis and Dr. Law Chun Kwan.*

*\* For identification purpose only*