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HERITAGE INTERNATIONAL HOLDINGS LIMITED

漢基控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 412)

(1) APPOINTMENT OF DIRECTORS, DEPUTY CHAIRMAN, CHIEF EXECUTIVE AND MEMBER OF REMUNERATION COMMITTEE AND EXECUTIVE COMMITTEE AND (2) CONNECTED TRANSACTION INVOLVING ALLOTMENT AND ISSUANCE OF NEW SHARES TO DIRECTOR

APPOINTMENT OF DIRECTORS

The Board wishes to announce the following changes to the Board and Board committees and appointment of officer of the Company with effect from 11 September 2015 (the “**Appointment Date**”):

- (i) Mr. Ji Kewei has been appointed as executive director, deputy chairman, chief executive and a member of each of the remuneration committee and executive committee of the Company; and
- (ii) Mr. Qiu Jianyang has been appointed as non-executive director of the Company.

Mr. Ji Kewei (“Mr. Ji”)

Mr. Ji Kewei, aged 55, holds a Master of Business Administration degree and a Doctor of Philosophy degree in Economics (Finance). He is a senior economist. Mr. Ji has over 30 years of extensive experience in the financial and financial leasing services industry in Hong Kong and the PRC. In 2001, Mr. Ji was approved to reside and work in Hong Kong by the Hong Kong Special Administrative Region Government under the first phase of the Admission Scheme for Mainland Talents and Professionals. Mr. Ji has served the following positions: vice president of the People’s Bank of China,

* *For identification purposes only*

Jinzhou Branch and concurrently deputy director of the State Administration of Foreign Exchange, Jinzhou Sub-Branch; general manager of the Fund Planning Department of the People's Bank of China, Shenzhen Special Economic Zone Branch; chairman of the board and president of Shenzhen City Commercial Bank (now renamed as Ping An Bank); director of China Everbright Group Limited and vice president of China Everbright Bank head office and executive vice president of China Everbright Bank; chairman of the board of Concord Group (BVI) Limited and concurrently as the chairman of the board of Concord Capital Securities Limited and Concord Credit Services Limited respectively; executive director and the chief executive officer of China Finance Investment Holdings Limited (formerly known as Cypress Jade Agricultural Holdings Limited and Ever Fortune International Holdings Limited) (stock code: 00875), a company listed on the main board of the Stock Exchange; vice chairman of the board of HNA Capital Holdings Limited and chairman of the board of HNA Group International Headquarters (Hong Kong) Co., Limited. He is currently the chairman of the board and the chief executive officer of China Hover Dragon Group Limited.

Mr. Ji entered into a formal service contract with the Company on 11 September 2015. The appointment of Mr. Ji as executive director, deputy chairman, chief executive and member of remuneration committee and executive committee of the Company is for a term of three years commencing from 11 September 2015 and he is subject to retirement from the Board by rotation and re-election in accordance with the bye-laws of the Company. Mr. Ji will be entitled to receive an annual emolument in terms of ordinary shares of the Company equivalent to an aggregate amount of approximately HK\$5,000,000 (the “**Emolument Shares**”) and HK\$9,100,000 in cash, all of which are determined with reference to his duties and responsibilities of the Company, his qualifications and experience. The issue of the Emolument Shares to Mr. Ji is subject to the Listing Rules and/or resolution(s) of a special general meeting of the Company on an annual basis and/or conditions imposed by the Stock Exchange (if any). In addition, Mr. Ji may be entitled to a bonus as determined at the discretion of the Board with reference to his performance.

Mr. Ji is the chairman and chief executive officer of China Hover Dragon Group Limited which is a substantial shareholder of the Company.

Mr. Ji has the following interest in the Company within the meaning of Part XV of the SFO as at the date of this announcement:

Capacity	Nature of interest	No. of Shares
Interest of a controlled corporation**	Ordinary shares	2,284,947,214

** China Hover Dragon Group Limited beneficially owns 2,284,947,214 Shares by way of trusts. Chinanet Consultancy Limited owns 50% of the issued share capital of China Hover Dragon Group Limited and Mr. Ji owns the entire issued share capital of Chinanet Consultancy Limited.

Save as disclosed above, (i) Mr. Ji has not held any other directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years; (ii) Mr. Ji does not hold other positions in the Company or any of its subsidiaries; (iii) Mr. Ji does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; (iv) Mr. Ji does not have any interest in the listed securities of the Company within the meaning of Part XV of the SFO; and (v) there is no information relating to Mr. Ji that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders in relation to Mr. Ji's appointment.

Mr. Qiu Jianyang (“Mr. Qiu”)

Mr. Qiu Jianyang, aged 53, graduated from Hunan University (Hunan College of Finance and Economics) with a major in Financial Accounting. Mr. Qiu has extensive experience in finance and investment. Mr. Qiu is currently the president of the Investment Department of 世紀金源投資集團有限公司 (Century Golden Resources Group*). Meanwhile, Mr. Qiu is the director of 中信建投證券股份有限公司 (China Securities Co., Ltd.*). Prior to these, Mr. Qiu served as vice president of 中信信息科技投資有限公司 (CITIC Information Technology Investment Co., Ltd*) and the financial manager of 中國聯通第一分公司 (the First Branch of China Unicom*).

Mr. Qiu is a certified public accountant in the PRC, holding various positions such as a financial manager with rich investment experience in the global financial markets. Mr. Qiu has a wealth of theoretical knowledge, and has co-published a treatise entitled “Corporate Financial Accounting Practice” 《公司財務會計實務》.

Mr. Qiu entered into a formal letter of appointment with the Company on 11 September 2015. The appointment of Mr. Qiu as non-executive director of the Company is for a term of three years commencing from 11 September 2015 and he is subject to retirement from the Board by rotation and re-election in accordance with the bye-laws of the Company. Mr. Qiu will be entitled to receive an annual emolument of HK\$500,000, which is determined with reference to his duties and responsibilities of the Company, his qualifications, experience and the prevailing market conditions. In addition, Mr. Qiu may be entitled to a bonus as determined at the discretion of the Board with reference to his performance.

Save as disclosed above, (i) Mr. Qiu has not held any other directorships in any public companies the securities of which are listed in Hong Kong or overseas in the last three years; (ii) Mr. Qiu does not hold other positions in the Company or any of its subsidiaries; (iii) Mr. Qiu does not have any relationship with any directors, senior management or substantial or controlling shareholders of the Company; (iv) Mr. Qiu does not have any interest in the listed securities of the Company within the meaning of Part XV of the SFO; and (v) there is no information relating to Mr. Qiu that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders in relation to Mr. Qiu's appointment.

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The Board would like to take this opportunity to extend its warm welcome to Mr. Ji and Mr. Qiu for joining the Board.

THE EMOLUMENT SHARES TO BE ALLOTTED AND ISSUED TO MR. JI UNDER THE SERVICE CONTRACT

Pursuant to the service contract with Mr. Ji, the Company announces that it has, on the Appointment Date, conditionally allotted 5,617,977 Shares (equivalent to an aggregate amount of approximately HK\$5,000,000 based on the closing price of HK\$0.89 per Share as quoted on the Stock Exchange on the Appointment Date) to Mr. Ji, subject to conditions and compliance with the reporting, announcement and Independent Shareholders' approval requirement under Chapter 14A of the Listing Rules.

The key terms of the proposed issue of Emolument Shares for 2015 are set out below.

Number of Emolument Shares conditionally allotted in 2015	:	5,617,977 Shares, representing approximately 0.03% of the existing total issued Shares of the Company and 0.03% of the total issued Shares of the Company as enlarged by the issue of the Emolument Shares (assuming no change in the total issued Shares of the Company between the date of this announcement and the date of issue of the Emolument Shares)
Value of Emolument Shares	:	approximately HK\$5,000,000 in aggregate
Conditions and timing of issue	:	Emolument Shares will be issued after the passing of the SGM and the listing approval for the dealing of the Emolument Shares to be granted by the Stock Exchange

There will be no proceeds from the issue of the Emolument Shares, therefore there will be no net price and issue price per Emolument Share.

Assuming there is no change in the total issue Shares of the Company after the date of this announcement, the Emolument Shares of 5,617,977 represent approximately 0.03% of the total issue Shares of the Company as at the date of this announcement and approximately 0.03% of the total issued Shares of the Company as enlarged by the issue of the Emolument Shares.

Mr. Ji owns the entire issued share capital of Chinanet Consultancy Limited, which in turn owns 50% of the issued share capital of China Hover Dragon Group Limited. For the purpose of Part XV of the SFO, Mr. Ji is deemed to be interested in 2,284,947,214 Shares beneficially owned by China Hover Dragon Group Limited by way of trusts, representing approximately 11.84% of the total issued Shares of the Company as at the date of this announcement.

REASONS FOR THE ISSUE OF THE EMOLUMENT SHARES

The proposed issue of the Emolument Shares represents part of the annual emolument to be received by Mr. Ji acting as an executive director of the Company. The number of Emolument Shares is determined by the Board after taking into consideration factors such as years of service, role and responsibilities as well as the annual emolument to be received by Mr. Ji. The Board is of the view that the terms of issue of the Emolument Shares to Mr. Ji are fair and reasonable and in the interests of the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Mr. Ji, being the chairman and chief executive officer of China Hover Dragon Group Limited and, after his appointment as an executive director of the Company, is a connected person of the Company under the Listing Rules. Accordingly, the issue of Emolument Shares is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. An Independent Board Committee comprising Mr. To Shing Chuen, Mr. Chung Yuk Lun and Mr. Cheung Wing Ping, all being independent non-executive directors of the Company, has been established to give advice to the Independent Shareholders. A SGM will be convened at which Independent Shareholders will consider and vote by way of poll on the issue of the Emolument Shares to Mr. Ji. Mr. Ji and his respective associates are required to abstain from voting on the relevant resolution in respect of issue of the Emolument Shares. An Independent Financial Adviser will be appointed to advise the Independent Board Committee as to whether the terms of issue of the Emolument Shares are fair and reasonable and whether they are in the interests of the Company and the Shareholders as a whole and the Independent Board Committee will advise the Independent Shareholders as to how to vote on the resolution approving the issue of the Emolument Shares at the SGM.

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Emolument Shares to be issued to Mr. Ji.

A circular containing advice from an Independent Financial Adviser to the Independent Board Committee, the letter from the Independent Board Committee to the Independent Shareholders together with a notice convening the SGM is expected to be despatched to the Shareholders by no later than 6 October 2015.

GENERAL

In addition to its continued involvement in investments in listed and unlisted securities and money lending, the Group intends to expand into a variety of financial services serving the PRC markets. In September 2015, the Group completed the acquisition of Hong Kong Leasing Limited, which provides financial leasing services, including a financial leasing transaction services platform (O2O) with cross-border Renminbi business products and integrated financial products; it also provides leasing transactions consultation services, guarantees, factoring business and other related businesses. Meanwhile, the Group is currently engaged in negotiations on projects relating to auto financing services with a view to maximize the Shareholders' interests.

The Company had not carried out any equity fund raising exercise in the 12-month period immediately preceding the date of this announcement.

On 4 September 2015, the Company issued a total of 2,361,112,121 Shares as part of the consideration for acquisition of Hong Kong Leasing Limited under a specific mandate granted on 18 August 2015. For further details, please refer to the circular of the Company dated 30 July 2015, the announcements of the Company dated 10 April 2015, 18 August 2015 and 2 September 2015 and the next day disclosure return dated 4 September 2015.

DEFINITIONS

The following terms in this announcement have the meanings as set out below opposite to them:–

“Board”	the board of directors of the Company
“Company”	Heritage International Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules
“Group”	the Company, together with its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the Board committee comprising all independent non-executive directors of the Company, which has been established to give advice to the Independent Shareholders in respect of the issue of the Emolument Shares
“Independent Financial Adviser”	independent financial adviser to be appointed to advise the Independent Board Committee in respect of the issue of the Emolument Shares
“Independent Shareholders”	all Shareholders other than Mr. Ji
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	a special general meeting of the Company to be convened to consider and, if thought fit, approve the issue of the Emolument Shares
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
Heritage International Holdings Limited
Yau Wai Lung
Executive Director

Hong Kong, 11 September 2015

As at the date of this announcement, the Company has three executive directors, being Mr. Ji Kewei, Mr. Yau Wai Lung and Mr. Ma Chao; one non-executive director, being Mr. Qiu Jianyang; and three independent non-executive directors, being Mr. To Shing Chuen, Mr. Chung Yuk Lun and Mr. Cheung Wing Ping.