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**SHENYIN WANGUO (H.K.) LIMITED**  
**申銀萬國（香港）有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock code: 218)**

**(1) PROPOSED RIGHTS ISSUE OF RIGHTS SHARES  
AT THE RIGHTS ISSUE PRICE OF HK\$2.342 EACH  
ON THE BASIS OF ONE RIGHTS SHARE  
FOR EVERY TWO EXISTING SHARES HELD  
ON THE RECORD DATE AND  
(2) CLOSURE OF REGISTER OF MEMBERS**

**Underwriter of the Rights Issue**



**Shenyin Wanguo (H.K.) Holdings Limited**

## **PROPOSED RIGHTS ISSUE**

The Company proposes to raise approximately HK\$621.5 million by way of a rights issue of approximately 265,379,563 Rights Shares to the Qualifying Shareholders on the basis of one (1) Rights Share for every two (2) existing Shares held on the Record Date at a price of HK\$2.342 per Rights Share.

Pursuant to the terms of the Rights Issue, the Qualifying Shareholders will be provisionally allotted one (1) Rights Share in nil-paid form for every two (2) existing Shares held on the Record Date. Fractional entitlements will not be allotted but will be aggregated and sold for the benefit of the Company. The Rights Issue is only available to the Qualifying Shareholders and will not be available to the Non-Qualifying Shareholders.

The estimated net proceeds of the Rights Issue will be approximately HK\$619.8 million after deduction of all estimated expenses. The Group intends to apply the net proceeds from the Rights Issue for general working capital purpose.

Pursuant to the conditions set out in the Underwriting Agreement, the Underwriter has conditionally agreed to fully underwrite the Underwritten Shares. As at the date of this announcement, SWHKH (being the Underwriter) wholly-owned VSI, and VSI owned 50.51% interest in SWHBVI. SWHKH and SWHBVI owned 2,045,000 Shares and 268,334,875 Shares respectively, representing 0.38% and 50.56% of the total number of the Company's Shares in issue, respectively. SWHKH is a connected person of the Company within the meaning of Rule 14A.07 of the Listing Rules. The transaction of SWHKH acting as the underwriter for an issue of securities by the Company is exempt from the requirements of reporting, announcement and independent shareholders' approval pursuant to Rule 14A.92(2)(b) of the Listing Rules.

## **IRREVOCABLE UNDERTAKING FROM SWHKH**

Pursuant to the Underwriting Agreement, SWHKH has irrevocably undertaken to the Company that it will and it will procure its indirectly owned subsidiary, SWHBVI, to (1) subscribe the Rights Shares which will constitute the provisional allotment of Rights Shares in respect of the Shares held by it and SWHBVI as at the Record Date pursuant to the terms of the Rights Issue; (2) not dispose of the Shares held by it and SWHBVI from the date hereof to the close of business on the Record Date (or such date as may be notified by the Company in writing); and (3) lodge acceptances in respect of the aforesaid Rights Shares with the Registrar or the Company, with payment in full therefor in cash (whether by cheque, bank cashier's order or such other form as the Company may approve), by no later than 4:00 p.m. on the latest date for acceptance of the Rights Shares as specified by the Company or such later date as the Company may agree.

## **SHAREHOLDERS' APPROVAL NOT REQUIRED**

There is no requirement under the Listing Rules for the Rights Issue to be approved by the Shareholders in a general meeting.

## **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL PAID RIGHTS**

**The Underwriting Agreement contains provisions granting the Underwriter a right to terminate its obligations under the Underwriting Agreement upon the occurrence of certain events. Please refer to the section headed "Underwriting Arrangement – Termination of the Underwriting Agreement" below for further details. The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If this condition is not fulfilled, the Rights Issue will not proceed, in which case a further announcement will be made by the Company at the relevant time.**

**The Shares are expected to be dealt in on an ex-rights basis from Thursday, 11 December 2014. Dealings in the Nil Paid Rights are expected to take place from Tuesday, 23 December 2014 to Monday, 5 January 2015 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the Nil Paid Rights is advised to exercise caution when dealing in the Shares and/or the Nil Paid Rights.**

**Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the Nil Paid Rights up to the date on which all the conditions to which the Rights Issue is subject are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.**

## **TRADING ARRANGEMENTS**

The last day of dealings in the Shares on a cum-rights basis is Wednesday, 10 December 2014. The Shares will be dealt with on an ex-rights basis from Thursday, 11 December 2014. Nil Paid Rights are expected to be dealt with from Tuesday, 23 December 2014 to Monday, 5 January 2015 (both days inclusive).

To qualify for the Rights Issue, a Shareholder must: (a) be registered as a member of the Company at 5:00 p.m. on the Record Date; and (b) not be a Non-Qualifying Shareholder. In order to be registered as members of the Company on the Record Date, all transfer documents of the Shares must be lodged (together with the relevant share certificate(s)) with the Registrar, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by 4:30 p.m. (Hong Kong time) on Friday, 12 December 2014. The register of members of the Company will be closed from Monday, 15 December 2014 to Thursday, 18 December 2014 (both days inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

The latest time for acceptance of and payment for the Rights Shares is 4:00 p.m. on the Final Acceptance Date, which is expected to be on Thursday, 8 January 2015 or such other date as the Company and the Underwriter may agree in writing. The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms.

For details of the trading arrangements, please refer to the section headed "Expected Timetable for the Rights Issue" below.

## **GENERAL**

The Prospectus containing, among other things, further details of the Rights Issue is expected to be despatched by the Company to the Qualifying Shareholders on the Despatch Date. The PALs and the EAFs will also be sent to the Qualifying Shareholders on the same date. A copy of the Prospectus will also be made available on the websites of the Company ([www.sywg.com.hk](http://www.sywg.com.hk)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only but will not send any PAL or EAF to them.

## **PROPOSED RIGHTS ISSUE**

On Friday, 28 November 2014, the Company and the Underwriter entered into the Underwriting Agreement in respect of the proposed Rights Issue.

### **Rights Issue statistics**

Basis of the Rights Issue:	One (1) Rights Share for every two (2) existing Shares held on the Record Date
Number of existing Shares in issue as at the date of this announcement:	530,759,126 Shares
Number of Rights Shares:	265,379,563 Rights Shares (assuming no new Shares are issued (other than the Rights Shares) and no buy-back of Shares on or before the Record Date)
Rights Issue Price:	HK\$2.342 per Rights Share
Underwriter:	SWHKH
Enlarged issued share capital upon completion of the Rights Issue:	796,138,689 Shares (assuming no new Shares are issued (other than the Rights Shares) and no buy-back of Shares on or before the completion of the Rights Issue)

Assuming no new Shares are issued (other than the Rights Shares) and no buy-back of Shares on or before the Record Date, the 265,379,563 Rights Shares proposed to be provisionally allotted represent approximately 50% of the Company's issued share capital as at the Record Date and approximately 33.33% of the enlarged issued share capital of the Company immediately upon completion of the Rights Issue.

As at the date of this announcement, the Company has no other outstanding derivatives, options, warrants, conversion rights or other similar rights which are convertible or exchangeable into or confer any right to subscribe for Shares.

### **Qualifying Shareholders**

The Company will send the Prospectus Documents to the Qualifying Shareholders only. To qualify for the Rights Issue, a Shareholder must:

1. be registered as a member of the Company on the Record Date; and
2. not be a Non-Qualifying Shareholder.

In order to be registered as members of the Company on the Record Date, the Shareholders must lodge any transfer documents of the Shares (together with the relevant share certificates) with the Registrar, Tricor Tengis Limited, Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by no later than 4:30 p.m. on Friday, 12 December 2014.

The Company will send the Prospectus Documents to the Qualifying Shareholders on Friday, 19 December 2014. Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders, for their information only but will not send any PAL or EAF to them.

Qualifying Shareholders who take up their pro rata entitlement in full under the Rights Issue will not suffer any dilution to their interests in the Company. If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.

## **Closure of register of members**

The register of members of the Company will be closed from Monday, 15 December 2014 to Thursday, 18 December 2014, both days inclusive for determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

## **Rights of Overseas Shareholders**

Overseas Shareholders on the Record Date, if any, may not be eligible to take part in the Rights Issue as explained below.

The Company will make enquiries pursuant to Rule 13.36(2)(a) of the Listing Rules regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Rights Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place(s) or the requirements of the relevant regulatory body or stock exchange in that/those place(s), the Rights Issue will not be available to such Overseas Shareholders and no provisional allotment of the Nil Paid Rights or allotment of Rights Shares will be made to them. Further information in this connection will be set out in the Prospectus. The Company will send copies of the Prospectus to the Non-Qualifying Shareholders for their information only on the Despatch Date, but will not send any PAL and EAF to them. The Prospectus Documents will not be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

Arrangements will be made for the Nil Paid Rights which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market as soon as practicable after dealings in the Nil Paid Rights commence and before the last date for dealings in the Nil Paid Rights, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, of more than HK\$100 will be paid pro rata to the Non-Qualifying Shareholders. The Company will retain individual amounts of HK\$100 or less for the benefit of the Company. Any unsold entitlements of the Non-Qualifying Shareholders, together with any Rights Shares provisionally allotted but not accepted, will be made available for excess application on EAFs by the Qualifying Shareholders.

Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should note that they may or may not be entitled to the Rights Issue subject to the results of the enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to permit any Shareholder (whether as a direct holder or beneficial owner) whose registered address is in, or who otherwise resides in, a jurisdiction other than Hong Kong to take up Rights Shares if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations in that jurisdiction which would otherwise give rise to restrictions upon the offer or take-up of Rights Shares in that jurisdiction and treat as invalid any acceptances of or applications for the Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, such Overseas Shareholders and beneficial owners of the Shares should exercise caution when dealing in the Shares.

### **Rights Issue Price**

The Rights Issue Price for the Rights Shares is HK\$2.342 per Rights Share, payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, application for excess Rights Shares under the Rights Issue or when a renouncee of any provisional allotment of the Rights Shares or a transferee of nil paid Rights Shares applies for the Rights Shares.

The Rights Issue Price represents:

- (a) a discount of approximately 52.11% to the closing price of HK\$4.89 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 51.05% to the average closing price of HK\$4.784 per Share for the five consecutive trading days up to and including the Last Trading Day;
- (c) a discount of approximately 48.49% to the average closing price of HK\$4.547 per Share for the ten consecutive trading days up to and including the Last Trading Date;



- (d) a discount of approximately 42.04% to the theoretical ex-right price of approximately HK\$4.041 per Share based on the closing price of HK\$4.89 per Share as quoted on the Stock Exchange on the Last Trading Day; and
- (e) a discount of approximately 0.51% to the unaudited consolidated net asset value attributable to equity holders of the Company per Share as at 30 June 2014 of approximately HK\$2.354.

Each Rights Share has no par value.

The Rights Issue Price was determined by the Directors with reference to the market price of the Shares prior to and including the Last Trading Day, the net assets value per share as at 31 December 2013 of the Company and the current market conditions. Each Qualifying Shareholder will be entitled to subscribe for Rights Shares at the Rights Issue Price in proportion with his/her/its shareholding held on the Record Date.

The Directors (including the independent non-executive Directors) consider the terms of the Rights Issue, including the Rights Issue Price (and the discounts to the relative values indicated above) to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

### **Basis of provisional allotments**

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) existing Shares in issue and held by the Qualifying Shareholders on the Record Date. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the PAL and lodging the same with a remittance for the Rights Shares with the Registrar on or before the Final Acceptance Date.

### **Status of the Rights Shares**

The Rights Shares (when allotted, issued and fully paid) will rank pari passu with the then existing Shares in issue in all respects. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid after the date of allotment and issue of the Rights Shares.

## **Fractions of the Rights Shares**

The Company will not provisionally allot and will not accept applications for any fractions of Rights Shares. All fractions of the Rights Shares will be aggregated (and rounded down to the nearest whole number) and all Nil Paid Rights arising from such aggregation will be sold in the market and the proceeds will be retained by the Company for its own benefit, if a premium (net of expenses and stamp duty) can be obtained. Any such unsold aggregated fractions of Nil Paid Rights will be made available for excess application by the Qualifying Shareholders. No odd lot matching services will be provided.

## **Application for excess Rights Shares**

Qualifying Shareholders shall be entitled to apply for:

- (a) any unsold Rights Shares which would have been allotted to the Non-Qualifying Shareholders had they been the Qualifying Shareholders;
- (b) any Rights Shares provisionally allotted but not validly accepted by the Qualifying Shareholders or otherwise subscribed for by renounees or transferees of Nil Paid Rights; and
- (c) any unsold Rights Shares created by aggregating fractions of Nil Paid Rights.

Applications for excess Rights Shares may be made only by the Qualifying Shareholders and only by completing the EAFs (in accordance with the instructions printed thereon) and lodging the same with a separate remittance for the excess Rights Shares being applied for with the Registrar by a time which is currently expected to be 4:00 p.m. on Thursday, 8 January 2015 or such later time as may be agreed between the Company and the Underwriter. Notwithstanding the provisions in the Prospectus Documents, the Company reserves the right to permit any Shareholder (whether as a direct holder or beneficial owner) whose registered address is in, or who is otherwise resident in, a jurisdiction other than Hong Kong to take up excess Rights Shares if the Company, in its absolute discretion, is satisfied that the transaction in question is exempt from or not subject to the legislation or regulations in that jurisdiction which would otherwise give rise to restrictions upon the offer or take-up of Rights Shares in that jurisdiction.

The Directors will, upon consultation with the Underwriter allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis, according to the principle that any excess Rights Shares will be allocated to Qualifying Shareholders who apply for them on a pro rata basis by reference to the number of excess Rights Shares applied for but no reference will be made to Rights Shares comprised in applications by PAL or the existing number of Shares held by Qualifying Shareholders. If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders under PALs is greater than the aggregate number of excess Rights Shares applied for through EAFs, the Directors will allocate to each Qualifying Shareholder who applies for excess Rights Shares in full application. No preference will be given to topping up odd lots to whole board lots.

### **Share certificates and refund cheques for the Rights Issue**

Subject to the fulfillment of the conditions of the Rights Issue set out below, certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or around Monday, 19 January 2015. Each successful applicant will receive one share certificate for all the Rights Shares allotted and issued to him/her/it.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted to the unsuccessful applicants on or around Monday, 19 January 2015 by ordinary post to the applicants at their own risk.

### **Application for listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Rights Shares in both their nil-paid and fully-paid forms will be traded in board lots of 5,000 Shares.

No part of the securities of the Company in issue or for which listing or permission to deal is being or is proposed to be sought is listed or dealt in or on any other stock exchange.

## **Rights Shares will be eligible for admission into CCASS**

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirement of HKSCC, the Rights Shares in both their nil-paid and fully paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Shareholders should seek advice from their licensed securities dealers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

## **Stamp duty and other applicable fees and charges**

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy or any other applicable fees and charges in Hong Kong.

## **UNDERWRITING ARRANGEMENT**

### **The Underwriting Agreement**

Date: Friday, 28 November 2014

Underwriter: SWHKH

Number of Rights Shares  
underwritten: Underwritten Shares

Underwriter's commission: The Underwriter will not charge any underwriting commission of the Underwritten Shares for which the Underwriter has agreed to subscribe or procure subscription

Pursuant to the conditions set out in the Underwriting Agreement, the Underwriter has conditionally agreed to fully underwrite the Underwritten Shares. As at the date of this announcement, SWHKH (being the Underwriter) wholly-owned VSI and VSI owned 50.51% interest in SWHBVI. SWHKH and SWHBVI owned 2,045,000 Shares and 268,334,875 Shares, representing approximately 0.38% and 50.56% of the total number of the Company's Shares in issue, respectively. SWHKH is a connected person of the Company within the meaning of Rule 14A.07 of the Listing Rules. The transaction of SWHKH acting as the underwriter for an issue of securities by the Company is exempt from the requirements of reporting, announcement and independent shareholders' approval pursuant to Rule 14A.92(2)(b) of the Listing Rules.

The Directors (including the independent non-executive Directors) consider that the Underwriting Agreement is (i) on normal commercial terms; (ii) fair and reasonable so far as the Shareholders are concerned; and (iii) in the interest of the Company and the Shareholders as a whole.

Given that SWHKH (being the Underwriter) is a connected person of the Company under the Listing Rules, its Shares will not be regarded as part of the public float for the purposes of the Company's compliance with the minimum public float requirement under Rule 8.08 of the Listing Rules. In the event of SWHKH being called upon to subscribe for or procure subscribers for the Underwritten Shares, SWHKH shall use its best endeavours to ensure that not less than 25% of the Shares will be held by the public in compliance with the Listing Rules.

### **Conditions of the Rights Issue**

The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. The Underwriting Agreement is conditional upon the following being fulfilled:

- (a) the delivery to the Stock Exchange and registration by the Registrar of Companies in Hong Kong respectively on or prior to the Despatch Date of one copy of each of the Prospectus Documents each duly certified in compliance with section 38D of the Companies (Winding up and Miscellaneous Provisions) Ordinance (and all other documents required to be attached thereto) and otherwise complying with the requirements of the Companies (Winding up and Miscellaneous Provisions) Ordinance, the Companies Ordinance and the Listing Rules;

- (b) the posting on the Despatch Date of copies of the Prospectus Documents to the Qualifying Shareholders;
- (c) compliance by the Company with all its obligations under the Underwriting Agreement relating to, among other things, the provisional allotment of the Rights Shares;
- (d) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms either unconditionally or subject to such conditions which the Company (with the approval of the Underwriter) accepts and the satisfaction of such conditions (if any and where relevant) by no later than the Despatch Date and the Listing Committee of the Stock Exchange not having withdrawn or revoked such listings and permission on or before 4:00 p.m. on the Settlement Date;
- (e) (a) the Shares remaining listed on the Stock Exchange at all times prior to the Settlement Date and the current listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than 3 trading days and (b) no indication being received before 4:00 p.m. on the Settlement Date from the Stock Exchange to the effect that such listing may be withdrawn or objected to (or conditions will or may be attached thereto) including but not limited to as a result of the Rights Issue or in connection with the terms of the Underwriting Agreement or for any other reason; and
- (f) the obligations of the Underwriter under the Underwriting Agreement not being terminated by the Underwriter in accordance with the terms hereof;

The Company shall use its best endeavours to procure the fulfilment of each of the conditions set out above, and shall do all the things required to be done by it pursuant to the Prospectus Documents or otherwise necessary to give effect to the Rights Issue and the arrangements contemplated by the Underwriting Agreement.

The Underwriter has the sole discretion to waive the above conditions other than conditions in (a) to (d) and (e)(b). In the event that the conditions in (a) to (c) have not been satisfied on or before the Despatch Date (or the relevant dates set out therein) or in the event that the conditions in (d) and (e)(b) have not been satisfied on or before 4:00 p.m. on the Settlement Date, all liabilities of the parties hereto shall cease and determine and none of the parties shall have any claim against the other (save in respect of any antecedent breaches and claims) save that all such costs, fees (including legal fees) and other out of pocket expenses (including, but not limited to, sub underwriting fees and related expenses) as have been incurred by the Underwriter in connection with the underwriting of the Underwritten Shares by the Underwriter shall be borne by the Company.

### **Irrevocable Undertaking from SWHKH**

Pursuant to the Underwriting Agreement, SWHKH has irrevocably undertaken to the Company that it will and will procure its indirectly owned subsidiary, SWHBVI, to (1) subscribe the Rights Shares which will constitute the provisional allotment of Rights Shares in respect of the Shares held by it and SWHBVI as at the Record Date pursuant to the terms of the Rights Issue; (2) not dispose of the Shares held by it and SWHBVI from the date hereof to the close of business on the Record Date (or such date as may be notified by the Company in writing); and (3) lodge acceptances in respect of the aforesaid Rights Shares with the Registrar or the Company, with payment in full therefor in cash (whether by cheque, bank cashier's order or such other form as the Company may approve), by no later than 4:00 p.m. on the latest date for acceptance of the Rights Shares as specified by the Company or such later date as the Company may agree.

Save for the irrevocable undertaking under the Underwriting Agreement as disclosed above, as at the date of this announcement, the Company had not received any information or irrevocable undertakings from other substantial Shareholders of their intention to take up their assumed entitlements under the Rights Issue.

## **Termination of the Underwriting Agreement**

The Underwriter may terminate the arrangements set out in the Underwriting Agreement by notice in writing issued to the Company by the Underwriter at any time prior to 4:00 p.m. on the Settlement Date if there occurs:–

- (a) an introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof); or
- (b) any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or currency (including any disruption to trading generally or trading in any securities of the Company on any stock exchange, or a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not such are of the same nature as any of the foregoing) or of the nature of any local, national or international outbreak or escalation of hostilities, insurrection or armed conflict; or
- (c) any act of God, fire, flood, explosion, epidemic, earthquake, nuclear or natural disaster, war, act of terrorism, riot, public disorder, civil commotion, strike or lock-out; or
- (d) any suspension or a material limitation in trading in securities generally on the Stock Exchange, or a general moratorium on commercial banking activities in Hong Kong declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong;

and in the absolute opinion of the Underwriter, such change could have a material and adverse effect on the business, financial or trading position or prospects of the Group as a whole or the success of the Rights Issue or make it inadvisable or inexpedient to proceed with the Rights Issue.



If, at or prior to 4:00 p.m. on the Settlement Date:

- (a) the Company commits any material breach of or omits to observe any of the obligations, undertakings, representations or warranties expressed to be assumed by it under the Underwriting Agreement; or
- (b) the Underwriter shall receive notification pursuant to the Underwriting Agreement, or shall otherwise become aware of, the fact that any of the representations or warranties contained in the Underwriting Agreement was, when given, untrue, inaccurate or misleading, or would be untrue, inaccurate or misleading if repeated as provided in the Underwriting Agreement; or
- (c) the Company shall, after any matter or event referred to in the Underwriting Agreement has occurred or come to the Underwriter's attention, fail promptly to send out any announcement or circular (after the despatch of the Prospectus Documents), in such manner (and as appropriate with such contents) as the Underwriter may request for the purpose of preventing the creation of a false market in the securities of the Company;

the Underwriter shall be entitled (but not bound) by notice in writing issued by the Underwriter to the Company to elect to treat such matter or event as releasing and discharging the Underwriter from their obligations under this Agreement.

**In the event the Underwriter exercises its rights to terminate the Underwriting Agreement prior to the Latest Time for Termination, all obligations of the Underwriter hereunder shall cease and determine and none of the parties hereto shall have any claim against the other parties in respect of any matter or thing arising out of or in connection with the Underwriting Agreement (save in respect of any antecedent breaches and claims).**

**If the Underwriter exercises such right, the Rights Issue will not proceed. A further announcement will be made if the Underwriting Agreement is terminated by the Underwriter.**

## **WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL PAID RIGHTS**

The Underwriting Agreement contains provisions granting the Underwriter a right to terminate its obligations under the Underwriting Agreement upon the occurrence of certain events. Please refer to the section headed “Underwriting Arrangement” for further details. The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. If this condition is not fulfilled, the Rights Issue will not proceed, in which case a further announcement will be made by the Company at the relevant time.

The Shares are expected to be dealt in on an ex-rights basis from Thursday, 11 December 2014. Dealings in the Nil Paid Rights are expected to take place from Tuesday, 23 December 2014 to Monday, 5 January 2015 (both days inclusive). Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the Nil Paid Rights is advised to exercise caution when dealing in the Shares and/or the Nil Paid Rights.

Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the Nil Paid Rights up to the date on which all the conditions to which the Rights Issue is subject are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

## **EXPECTED TIMETABLE FOR THE RIGHTS ISSUE**

*2014/2015*

Last day of dealing in Shares on a cum-rights basis . . . . . Wednesday, 10 December

First day of dealing in Shares on an ex-rights basis . . . . . Thursday, 11 December

Latest time for lodging transfer documents  
of Shares in order to be qualified  
for the Rights Issue . . . . . 4:30 p.m.  
on Friday, 12 December

Register of members of the Company closes for determining entitlements under Rights Issue (both days inclusive) . . . . .	Monday, 15 December to Thursday, 18 December
Record Date for determining entitlements under Rights Issue . . . . .	Thursday, 18 December
Register of members of the Company reopens . . . . .	Friday, 19 December
Despatch of Prospectus Documents . . . . .	Friday, 19 December
First day of dealing in Nil Paid Rights . . . . .	Tuesday, 23 December
Latest time for splitting Nil Paid Rights. . . . .	4:30 p.m. on Tuesday, 30 December
Last day of dealing in Nil Paid Rights . . . . .	Monday, 5 January
Latest time for acceptance of and payment for Rights Shares and application and payment for excess Rights Shares. . . . .	4:00 p.m. on Thursday, 8 January
Latest time for the Rights Issue to become unconditional. . . . .	4:00 p.m. on Tuesday, 13 January
Announcement of the results of the Rights Issue to be posted on the Stock Exchange's website and the Company's website on or before . . . . .	Friday, 16 January

Refund cheques for wholly and partially  
unsuccessful excess applications  
to be posted on or around . . . . . Monday, 19 January

Share certificates for fully-paid  
Rights Shares to be posted . . . . . Monday, 19 January

Dealing of Rights Shares  
in fully-paid form commences . . . . . 9:00 a.m.  
on Tuesday, 20 January

All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above or in other parts of this announcement are indicative only and may be extended or varied by agreement between the Company and the Underwriter. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

**EFFECT OF BAD WEATHER ON THE LATEST TIME FOR  
ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES AND  
FOR APPLICATION AND PAYMENT FOR EXCESS RIGHTS SHARES**

The latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will not take place if there is:

1. a tropical cyclone warning signal number 8 or above, or
2. a “black” rainstorm warning
  - (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Final Acceptance Date. Instead the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be extended to 5:00 p.m. on the same Business Day;  
or

- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Final Acceptance Date. Instead the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares does not take place on the Final Acceptance Date, the dates mentioned in this section may be affected. An announcement will be made by the Company in such event.

## SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming no new Shares (other than Rights Shares) will be issued and no buy-back of Shares on or before the completion of the Rights Issue, set out below is the shareholding structure of the Company:

	As at the date of the announcement		Immediately after completion of the Rights Issue assuming all Qualifying Shareholders, SWHBVI and SWHKH take up their respective allotment of Rights Shares in full		Immediately after completion of the Rights Issue assuming no Qualifying Shareholders (other than SWHBVI and SWHKH) takes up any of the Rights Shares	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
SWHKH	2,045,000	0.38	3,067,500	0.38	133,257,125	16.73
SWHBVI ( <i>Note 1</i> )	268,334,875	50.56	402,502,313	50.56	402,502,313	50.56
Other Shareholders	260,379,251	49.06	390,568,876	49.06	260,379,251	32.71
Total	<u>530,759,126</u>	<u>100</u>	<u>796,138,689</u>	<u>100</u>	<u>796,138,689</u>	<u>100</u>

*Note:*

- (1) SWHBVI was held directly as to approximately 50.51% by VSI. VSI was wholly-owned by SWHKH.

## **REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS**

The Group is principally engaged in the brokerage business, corporate finance business, asset management business, financing and loans business and investment and other business.

The expenses in relation to the Rights Issue (including the underwriting fee, printing, registration, legal, accounting and documentation charges) are estimated to be approximately HK\$1.7 million.

The estimated net proceeds of the Rights Issue will be approximately HK\$619.8 million (assuming no new Shares are issued (other than Rights Shares) and no buy-back of Shares on or before the Record Date).

The net price per Rights Share (assuming no further issue of new Shares or buy-back of Shares on or before the Record Date) will be approximately HK\$2.336.

The Group intends to apply the net proceeds from the Rights Issue for general working capital purpose.

The Board considers that it is prudent to finance the Group's long term growth by way of the Rights Issue which will not only strengthen the Group's capital base and enhance its financial position without increasing finance costs, but will also allow all Qualifying Shareholders the opportunity to participate in the growth of the Group through the Rights Issue at a price lower than the current market price of the Shares. Accordingly, the Board considers that fund raising through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

## **TAXATION**

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the Nil Paid Rights or the Rights Shares and, regarding the Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the Nil Paid Rights on their behalf.

## **EQUITY FUND RAISING EXERCISE OF THE COMPANY IN THE PAST TWELVE MONTHS**

The Company has not conducted any equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

## **SHAREHOLDERS' APPROVAL NOT REQUIRED FOR RIGHTS ISSUE**

There is no requirement under the Listing Rules for the Rights Issue to be approved by Shareholders in a general meeting.

## **GENERAL**

The Prospectus containing, among other things, further details of the Rights Issue is expected to be despatched by the Company to the Qualifying Shareholders on the Despatch Date. The PALs and the EAFs will also be sent to the Qualifying Shareholders on the same date. A copy of the Prospectus will also be made available on the websites of the Company ([www.sywg.com.hk](http://www.sywg.com.hk)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Subject to the advice of the Company's legal advisers in the relevant jurisdictions and to the extent reasonably practicable, the Company will send copies of the Prospectus to the Non-Qualifying Shareholders, as well as to the holders of the Share Options for their information only but will not send any PAL or EAF to them.

## **DEFINITIONS**

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	any day on which the Stock Exchange is open for business of dealings in securities

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Closing Date”	the date on which the obligations of the Underwriter under the Underwriting Agreement become unconditional, which is expected to be Tuesday, 13 January 2015 or such later date as the Company and the Underwriter may agree in writing
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong), as amended from time to time
“Company”	Shenyin Wanguo (H.K.) Limited, a company incorporated in Hong Kong with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Despatch Date”	Friday, 19 December 2014 or such later date as may be agreed between the Company and the Underwriter for the despatch of the Prospectus Documents
“Director(s)”	director(s) of the Company
“EAF(s)”	the form of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares, being in such usual form as may be agreed between the Company and the Underwriter



“Final Acceptance Date”	4:00 p.m. on Thursday, 8 January 2015 (or such other date as the Underwriter may agree in writing with the Company as the latest date for acceptance of, and payment for, Rights Shares and application and payment for excess Rights Shares)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Last Trading Day”	Friday, 28 November 2014, being the last full trading date for the Shares before the release of this announcement
“Latest Lodging Date”	4:30 p.m. on Friday, 12 December 2014, the latest time for lodging transfer documents of the Shares in order to qualify for the Rights Issue
“Latest Time for Termination”	4:00 p.m. on the third Business Day following the Final Acceptance Date, or such later date as the Company and the Underwriter may agree in writing
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the main board of the Stock Exchange

“Nil Paid Rights”	rights to subscribe for Rights Shares (in the form of Rights Shares in nil-paid form) before the Rights Issue Price is paid
“Non-Qualifying Shareholders”	those Overseas Shareholders or such other persons whom the Directors, based on legal opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose address(es) as shown on such register is (are) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) proposed to be issued to the Qualifying Shareholders in connection with their assured entitlements under the Rights Issue
“PRC”	the People’s Republic of China
“Prospectus”	the prospectus to be issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus, the PAL(s) and the EAF(s) proposed to be despatched to the Qualifying Shareholders on the Despatch Date and any such supplementary prospectus to be despatched to the Qualifying Shareholders (if required)

“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear on the register of members of the Company as at the Record Date, other than the Non-Qualifying Shareholders (if any)
“Record Date”	Thursday, 18 December 2014, the record date to determine entitlements to the Rights Issue (or such other date as may be agreed between the Company and the Underwriter)
“Registrar”	the share registrar of the Company, being Tricor Tengis Limited, Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Remaining Shares”	number of the Underwritten Shares not taken up
“Rights Issue”	the proposed issue of Rights Shares at the Rights Issue Price on the basis of one (1) Rights Share for every two (2) existing Shares in issue and held on the Record Date on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents, payable in full upon acceptance
“Rights Issue Price”	HK\$2.342 per Rights Share
“Rights Share(s)”	the new Share(s) to be issued and allotted under the Rights Issue, being approximately 265,379,563 Shares
“Settlement Date”	Tuesday, 13 January 2015, being the third Business Day following the Final Acceptance Date (or such other time or date as the Underwriter and the Company may agree in writing) as the day for settlement of the Rights Issue

“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	the holder(s) of issued Share(s)
“Share(s)”	ordinary share(s) of the Company with no par value
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SWHBVI”	Shenyin Wanguo Holdings (B.V.I.) Limited, a company incorporated in the British Virgin Islands, being a controlling shareholder of the Company as at the date of this announcement
“SWHKH”	Shenyin Wanguo (H.K.) Holdings Limited, a company incorporated in Hong Kong with limited liability and the controlling shareholder of the Company, wholly-owned VSI as at the date of this announcement
“taken up/take up”	the taking up of those Rights Shares and/or the Underwritten Shares in respect of which the relevant PALs and/or EAFs have been lodged, accompanied by cheques or other remittances, for the full amount payable in respect thereof
“Underwriter”	SWHKH
“Underwriting Agreement”	the underwriting agreement dated 28 November 2014 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Rights Issue

“Underwritten Shares”	all of the Rights Shares, other than the Rights Shares that are provisionally allotted to SWHBVI and SWHKH as shareholders of the Company
“VSI”	Venture-Some Investments Limited, a company incorporated in the British Virgin Islands and the controlling shareholder of the Company, owned 50.51% interest in SWHBVI as at the date of this announcement
“%”	percentage or per centum

By order of the Board  
**Shenyin Wango (H.K.) Limited**  
**Chu Xiaoming**  
*Chairman*

Hong Kong, 28 November 2014

*As at the date of this announcement, the Board comprises 9 directors, of which Mr. Chu Xiaoming, Mr. Lu Wenqing, Mr. Guo Chun and Mr. Lee Man Chun Tony are the executive directors, Mr. Chang Pen Tsao and Mr. Zhang Lei are the non-executive directors, Mr. Ng Wing Hang Patrick, Mr. Kwok Lam Kwong Larry and Mr. Zhuo Fumin are the independent non-executive directors.*