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## **BOSHIWA INTERNATIONAL HOLDING LIMITED**

**博士蛙國際控股有限公司**

**(Provisional Liquidators Appointed)**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1698)**

### **UPDATE ON SUSPENSION OF TRADING**

This announcement is made by Boshiwa International Holding Limited (Provisional Liquidators Appointed) (the “**Company**”) pursuant to Rules 13.09, 13.24A and 13.49(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is also made to the announcements of the Company dated 7 March 2016, 8 April 2016, 9 May 2016, 24 June 2016 and 2 August 2016 in relation to, among others, the update on suspension of trading.

### **EXCLUSIVITY AGREEMENT**

#### **Exclusivity**

The Company wishes to announce that, on 26 August 2016, the Company, the joint provisional liquidators of the Company (the “**Provisional Liquidators**”) and a potential investor (the “**Potential Investor**”) entered into the exclusivity agreement (the “**Exclusivity Agreement**”), pursuant to which the Company and the Provisional Liquidators undertake that they will not solicit offers from any other party relating to, or negotiate or discuss with any other party relating to such other party’s proposal on the restructuring of the outstanding indebtedness and/or share capital of the Company or any injection of capital into the Company or any of its subsidiaries or any issue of shares of the Company or any disposal of assets of the Company or any of its subsidiaries for a period of 12 months from the date of payment of an initial contribution of HK\$5 million payable by the Potential Investor within 2 months from the date of the Exclusivity Agreement (being the contribution to the Provisional Liquidators for part of the costs and expenses in relation to the restructuring) or such other period as may be agreed between the Potential Investor and the Provisional Liquidators in writing (the “**Exclusivity Period**”). To the best of the Company’s knowledge, information and belief having made all reasonable enquiries, the Potential Investor and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

### **Working capital facility**

It is the intention of the Potential Investor that the existing principal business of the Company and its subsidiaries (the “**Group**”) will continue. Subject to funding requirements of the Group, the Potential Investor has agreed to advance a secured interest-carrying interim working capital facility of up to HK\$10 million (the “**Facility**”) to the Group on terms and conditions to be agreed and documented under separate facility agreements. In the event that the Potential Investor is unable to deliver the Facility contemplated under the separate facility agreements, the Exclusivity Agreement will terminate immediately without prejudice to any of the rights or remedy available to the Company and the Provisional Liquidators.

### **Termination**

The Exclusivity Agreement shall terminate upon:

- (a) the expiry of the Exclusivity Period;
- (b) the entering into of the formal agreements and documents in respect of the restructuring; or
- (c) in the reasonable opinion of the Potential Investor and the Provisional Liquidators jointly that the restructuring proposal is unlikely to proceed further.

The parties to the Exclusivity Agreement agreed that further terms of the formal agreement (other than those set out in Exclusivity Agreement) are subject to negotiations and there may be further terms to be agreed upon. Accordingly, the Exclusivity Agreement does not constitute a binding obligation to enter into the formal agreements and documents or an offer to subscribe for a controlling shareholding interest in the Company on the terms set out in the Exclusivity Agreement or on any other terms. The Exclusivity Agreement shall otherwise be legally binding on the parties to the Exclusivity Agreement.

Further announcement(s) will be made by the Company to update the shareholders of the Company on the development of the Company as and when appropriate pursuant to the requirements of the Listing Rules.

### **CONTINUED SUSPENSION OF TRADING**

Trading in the shares of the Company on the Stock Exchange will remain suspended until further notice.

### **Warning:**

**There is no assurance that the restructuring will materialise or eventually be consummated. Shareholders and all potential investors of the Company should be aware that the arrangement of the restructuring is subject to further negotiations between the Potential Investor, the Provisional Liquidators and the Company.**

For and on behalf of  
**Boshiwa International Holding Limited**  
**(Provisional Liquidators Appointed)**  
**Stephen Liu Yiu Keung**  
**David Yen Ching Wai**  
**Keiran Hutchison**  
Joint Provisional Liquidators  
who act without personal liabilities

Hong Kong, 26 August 2016

*As at the date of this announcement, the executive directors of the Company are Mr. Zhong Zheng Yong, Ms. Chen Li Ping and Mr. Chen Pei Qi.*