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CARNIVAL GROUP
INTERNATIONAL

Carnival Group International Holdings Limited

嘉年華國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00996)

**PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE RIGHTS SHARE FOR EVERY FOUR EXISTING SHARES
HELD ON THE RECORD DATE**

Financial adviser to the Company



英皇融資有限公司
Emperor Capital Limited

Underwriters to the Rights Issue



英皇證券(香港)有限公司
Emperor Securities Limited

PROPOSED RIGHTS ISSUE

The Board proposes to implement the Rights Issue on the basis of one Rights Share for every four existing Shares held on the Record Date at the Subscription Price of HK\$0.4 per Rights Share, to raise gross proceeds of approximately HK\$1,718 million (assuming no Shares are issued on or before the Record Date due to the exercise of the conversion rights attached to the Conversion Bonds) or approximately HK\$ 1,965 million (assuming Shares are issued on or before the Record Date due to the full exercise of the conversion rights attached to the Conversion Bonds), before expenses, by way of the Rights Issue of not less than 4,294,432,117 Rights Shares and not more than 4,911,255,691 Rights Shares.

The Company will provisionally allot to the Qualifying Shareholders one Rights Share in nil-paid form for every four existing Shares in issue and held on the Record Date. The Rights Issue will not be available to the Non-Qualifying Shareholders.

The estimated net proceeds from the Rights Issue after deducting all necessary expenses are estimated to be approximately HK\$1,677 million (assuming no Shares are issued on or before the Record Date due to the exercise of the conversion rights attached to the Conversion Bonds) or approximately HK\$1,924 million (assuming Shares are issued on or before the Record Date due to the full exercise of the conversion rights attached to the Conversion Bonds), which are intended to be applied for (i) further development and expansion of the Group's property development and investment business in cities exhibiting high growth in tourism and integrated largescale complex projects, including but not limited to cities such as Qingdao, Beijing, Shenzhen and overseas cities; (ii) repayment of the Group's existing indebtedness and interest expenses (including the set-off arrangements set out in the paragraph headed "The Set-Off" below) to improve the gearing of the Group; and (iii) general working capital for the Group.

UNDERWRITING AGREEMENT AND IRREVOCABLE UNDERTAKINGS

On 15 August 2017 (after trading hours of the Stock Exchange), the Company entered into the Underwriting Agreement with the Underwriters in relation to the underwriting and respective arrangements in respect of the Rights Issue.

Pursuant to the Underwriting Agreement, the Underwritten Shares were fully underwritten by the Underwriters on the terms and subject to the conditions set out in therein. Better Joint, Glory Merit, Elite Mile and Sino Wealthy have irrevocably and unconditionally undertaken in the Undertakings in favour of the Company and the Underwriters to subscribe for 1,547,006,749 Rights Shares, 323,759,711 Rights Shares, 523,995,742 Rights Shares and 278,982,450 Rights Shares, respectively, to which Better Joint, Glory Merit, Elite Mile and Sino Wealthy are respectively entitled under the Rights Issue.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS

The Rights Issue is conditional, among other matters, upon fulfillment of the conditions set out under the sub-section headed “Conditions of the Rights Issue” in the section headed “Proposed Rights Issue” of this announcement. In particular, the Rights Issue is subject to the Underwriters not terminating or rescinding the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Rights Issue may or may not proceed. Any Shareholders or potential investors contemplating selling or purchasing the Shares and/or the nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled (and the date of the Underwriters’ right of termination or rescission of the Underwriting Agreement ceases) will bear the risk that the Rights Issue could not become unconditional and may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares and/or nil-paid Rights Shares. 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 advisers.

TRADING ARRANGEMENTS

According to the expected timetable, the last day of dealing in the Shares on a cum-rights basis is Friday, 25 August 2017 and the Shares will be dealt in on an ex-rights basis from Monday, 28 August 2017. The Rights Shares are expected to be dealt in their nil-paid form from Wednesday, 6 September 2017 to Wednesday, 13 September 2017 (both dates inclusive). To qualify for the Rights Issue, any transfer of the Shares (together with the relevant share certificates) must be lodged for registration with the Company’s Hong Kong branch share registrar and transfer office, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, by 4:30 p.m. on Tuesday, 29 August 2017.

The Latest Time for Acceptance is expected to be at 4:00 p.m. on Monday, 18 September 2017. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms.

LISTING RULES IMPLICATIONS

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50% within the twelve-month period immediately preceding this announcement, the Rights Issue is not subject to the approval of the Shareholders in a general meeting under the Listing Rules.

GENERAL

The Prospectus Documents containing, among other things, the Prospectus setting out details of the Rights Issue, the PAL and the EAF will be despatched to the Qualifying Shareholders on Monday, 4 September 2017. A copy of the Prospectus will also be made available on the websites of the Company (<http://www.0996.com.hk/>) and the Stock Exchange (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 (if any), as well as to holders of the Convertible Bonds (if required by the terms and conditions of the Convertible Bonds) for their information only, but will not send any PAL or EAF to them.

PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of approximately HK\$1,718 million (assuming no Shares are issued on or before the Record Date due to the exercise of the conversion rights attached to the Conversion Bonds) or approximately HK\$ 1,965 million (assuming Shares are issued on or before the Record Date due to the full exercise of the conversion rights attached to the Conversion Bonds), by way of the Rights Issue of not less than 4,294,432,117 Rights Shares and not more than 4,911,255,691 Rights Shares at the Subscription Price of HK\$0.4 per Rights Share.

Issue statistics

Basis of the Rights Issue	:	One (1) Rights Share for every four (4) existing Shares held on the Record Date
Subscription Price	:	HK\$0.4 per Rights Share
Number of Shares in issue as at the date of this announcement	:	17,177,728,468 Shares
Number of Rights Shares	:	Not less than 4,294,432,117 Rights Shares (assuming no Shares are issued on or before the Record Date due to the exercise of the conversion rights attached to the Conversion Bonds) and not more than 4,911,255,691 Rights Shares (assuming Shares are issued on or before the Record Date due to the full exercise of the conversion rights attached to the Conversion Bonds)
Number of Shares in issue upon completion of the Rights Issue	:	Not less than 21,472,160,585 Shares (assuming no Shares are issued on or before the Record Date due to the exercise of the conversion rights attached to the Conversion Bonds) and not more than 24,556,278,456 Shares (assuming Shares are issued on or before the Record Date due to the full exercise of the conversion rights attached to the Conversion Bonds)
Amount to be raised	:	gross proceeds of approximately HK\$1,718 million (assuming no Shares are issued on or before the Record Date due to the exercise of the conversion rights attached to the Conversion Bonds) or approximately HK\$1,965 million (assuming Shares are issued on or before the Record Date due to the full exercise of the conversion rights attached to the Conversion Bonds), before expenses

As at the date of this announcement, Convertible Bonds which may be convertible into Shares on or before the Record Date comprise of (i) convertible bonds in an aggregate principal amount of HK\$240.74 million convertible into 300,925,000 Shares at the prevailing conversion price of HK\$0.8 per Share (subject to possible adjustment); (ii) convertible bonds in an aggregate principal amount of US\$285 million (equivalent to approximately HK\$2,210.175 million) convertible into 1,754,107,141 Shares at the prevailing conversion price of HK\$1.26 per Share (subject to possible adjustment); (iii) convertible bonds in an aggregate principal amount of HK\$390 million convertible into 412,262,156 Shares at the prevailing conversion price of HK\$0.946 per Share (subject to possible adjustment).

Assuming full conversion of the Convertible Bonds at their prevailing conversion prices and Shares are allotted and issued pursuant to such conversion on or before the Record Date, a total of 2,467,294,297 new Shares would fall to be allotted and issued, which would result in the issue of 616,823,574 additional Rights Shares.

Save for the Convertible Bonds as mentioned above, the Company had no outstanding convertible bonds, options, derivatives, warrants, conversion rights or other similar rights entitling holders thereof to subscribe for or convert into or exchange for new Shares as at the date of this announcement.

Assuming no new Shares (other than the Rights Shares) are allotted and issued on or before completion of the Rights Issue, the aggregate number of nil-paid Rights Shares proposed to be provisionally allotted pursuant to the terms of the Rights Issue represents 25% of the Company's issued share capital as at the Record Date and approximately 20% of the Company's issued share capital as enlarged by the Rights Issue.

Qualifying Shareholder

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company on the Record Date and not be a Non-Qualifying Shareholder. In order to be registered as members of the Company on the Record Date, all transfers of the Shares (together with the relevant share certificate(s)) must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong by 4:30 p.m. on Tuesday, 29 August 2017. It is expected that the last day of dealing in the Shares on a cum-rights basis is Friday, 25 August 2017 and the Shares will be dealt in on an ex-rights basis from Monday, 28 August 2017.

The Company will send the Prospectus Documents, including the Prospectus, the PAL and the EAF, to the Qualifying Shareholders. The Company will send the Prospectus to the Non-Qualifying Shareholders (if any) as well as to holders of the Convertible Bonds (if required by the terms and conditions of the Convertible Bonds) for their information only, in each case on Monday, 4 September 2017.

Overseas Shareholders and Non-Qualifying Shareholders

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

The Prospectus Documents will not be registered or filed under the securities legislation of any jurisdiction other than Hong Kong.

The Company will comply with Rule 13.36(2)(a) of the Listing Rules and make enquiries regarding the feasibility of extending the offer of the Rights Shares to Overseas Shareholders. If based on enquiry made or legal advice obtained by the Company, the Directors consider that it is necessary or expedient on account either of the legal restrictions under the laws of the relevant place of registered address or the requirements of the relevant overseas regulatory body or stock exchange in that place not to offer the Rights Shares to Overseas Shareholders, no provisional allotment of nil-paid Rights Shares or allotment of fully-paid Rights Shares will be made to such Overseas Shareholders. If any Overseas Shareholders are excluded from the Rights Issue, the Company will send copies of the Prospectus to such Non-Qualifying Shareholders for their information only, but will not send any PALs or EAFs to them. The results of the enquiries and the basis for excluding the Non-Qualifying Shareholders, if any, from the Rights Issue will be set out in the Prospectus to be issued.

Arrangements will be made for the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence on the Stock Exchange and in any event before the last day of dealing in the nil-paid Rights Shares, if a premium (net of expenses) can be obtained. The net proceeds of such sale, less expenses, will be paid pro rata to the Non-Qualifying Shareholders in Hong Kong dollars as soon as practicable except that the Company will retain individual amounts of HK\$100 or less for its own benefit. Any unsold entitlements of the Non-Qualifying Shareholders will be made available for excess applications on EAFs by the Qualifying Shareholders.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue subject to the results of the enquiries made by the Board pursuant to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to treat as invalid any acceptance of or applications for 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, Overseas Shareholders should exercise caution and consult their professional advisers when dealing in the Shares.

Closure of register of members

The register of members of the Company will be closed from Wednesday, 30 August 2017 to Friday, 1 September 2017 (both dates inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

Subscription Price

The Subscription Price is HK\$0.4 per Rights Share, payable in full 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 when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (a) a discount of approximately 39.39% to the closing price of HK\$0.660 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 34.21% to the theoretical ex-rights price of approximately HK\$0.608 per Share based on the closing price of HK\$0.660 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (c) a discount of approximately 41.52% to the average closing price of approximately HK\$0.684 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including the Last Trading Day; and
- (d) a discount of approximately 41.78% to the average closing prices of approximately HK\$0.687 per Share as quoted on the Stock Exchange for the ten consecutive trading days up to and including the Last Trading Day.

The Subscription Price was determined by the Directors and the Underwriters with reference to the market environment and prevailing Share price prior to and including the Last Trading Day. After taking into consideration the reasons for the Rights Issue as stated in the section headed “Reasons for the Rights Issue and Use of Proceeds” below, the Directors consider the terms of the Rights Issue, including the Subscription Price (and the discounts to the relative values as indicated above) and in the context of the Company’s long-term business strategy, to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The net subscription price per Rights Share will be approximately HK\$0.39.

Basis of provisional allotments

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every four (4) existing Shares held by the Qualifying Shareholders as at the close of business on the Record Date.

Application for all or any part of a Qualifying Shareholder’s provisional allotment shall be made by completing a PAL and lodging the same with remittance for the Rights Shares accepted for with the Registrar by 4:00 p.m. on Monday, 18 September 2017.

Status of the Rights Shares

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

Fractional entitlements

The entitlements of Qualifying Shareholders will be rounded down to the nearest whole number and fractional entitlements to Rights Shares will not be provisionally allotted to the Shareholders. The nil-paid Rights Shares representing the aggregate of all the fractions of Rights Shares (rounded down to the nearest whole number) will be provisionally allotted to a nominee or nominees appointed by the Company and, if a premium (net of expenses) can be obtained, will be sold by the nominee or nominees on the Company’s behalf in the market as soon as practicable after the commencement of dealing in the nil-paid Rights Shares and the net proceeds of such sale will be retained by the Company for its own benefit. Any Rights Shares in respect of the unsold fractional entitlements will first be made available for valid excess applications by the Qualifying Shareholders and the balance (if any) will be underwritten by the Underwriters.

Application for excess Rights Shares

Qualifying Shareholders may apply, by way of excess application, for:

- (i) any unsold entitlements to the Right Shares of the Non-Qualifying Shareholders had they been Qualifying Shareholders;
- (ii) any unsold Right Shares created by adding together fractions of the Right Shares; and
- (iii) any nil-paid Right Shares provisionally allotted but not validly accepted by the Qualifying Shareholders or otherwise not subscribed for by renounees or transferees of nil-paid Right Shares.

Applications for excess Right Shares can be made only by Qualifying Shareholders and only by completing an EAF (in accordance with the instructions printed therein) and lodging the same with a separate remittance for the excess Right Shares being applied for. The Directors will allocate the excess Right Shares (if any) at their discretion on a pro rata basis in proportion to the number of excess Right Shares being applied for under each application. No reference will be made to the Right Shares subscribed through applications by a PAL or the existing number of Shares held by Qualifying Shareholders. No preference will be given to top up odd lots to whole board lots.

Shareholders with their Shares held by a nominee company (or which are held in CCASS) should note that the Board will regard the nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually. Beneficial owners with their Shares held by a nominee company are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Latest Lodging Date.

Investors whose Shares are held by their nominee(s) and who would like to have their names registered on the register of members of the Company must lodge all necessary documents with the Company's Hong Kong branch share registrar and transfer office, Tricor Standard Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for completion of the relevant registration by 4:30 p.m. on Tuesday, 29 August 2017.

Share certificates and refund cheques for the Rights Shares

Subject to fulfilment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post at Shareholders' own risk on or before Monday, 25 September 2017. Refund cheques in respect of wholly or partially unsuccessful applications for the excess Rights Shares (if any) are expected to be posted by ordinary post at Shareholders' own risk on or before Monday, 25 September 2017.

Each Shareholder (except HKSCC Nominees Limited) will receive one share certificate for all allotted Rights Shares.

Application for Listing and Dealing Arrangements

The Company will make an application 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. 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 stock exchange (other than the Stock Exchange). The nil-paid Rights Shares shall have the same board lot size as the Shares (i.e. 10,000 Shares in one board lot).

Dealings in the Rights Shares in their nil-paid and fully paid forms will be subject to the payment of stamp duty and any other applicable fees and charges in Hong Kong.

Rights Shares will be Eligible for Admission into CCASS

Subject to the granting of 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 requirements 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 date of dealings in the Rights Shares in both their nil-paid and fully paid forms on the Stock Exchange or such other date 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 the CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbroker or other professional adviser for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Conditions of the Rights Issue

The Rights Issue is conditional on each of the following conditions being fulfilled:

- (i) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their attorneys or agents duly authorised in writing) in accordance with section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance as having been approved by resolutions of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules, the Companies Ordinance and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;
- (ii) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus to the Non-Qualifying Shareholders, if any, for information purposes only, on or before the Prospectus Posting Date;
- (iii) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and the permission to deal in, the Rights Shares (in their nil-paid and fully-paid forms) by no later than the expected date of commencement of trading of the Rights Shares in nil-paid form (or such other date as may be agreed between the Company and the Underwriters), and such listing and permission not being withdrawn or revoked prior to the Latest Time for Termination;
- (iv) each condition to enable the Rights Shares (in their nil-paid and fully-paid forms) to be admitted as eligible securities for deposit, clearance and settlement in CCASS (other than the Listing Approval) having been satisfied not later than the business day prior to the first day of dealings in the nil-paid Rights Shares as set out in the Prospectus and no notification having been received by the Company from HKSCC by such date that such admission or facility for holding and settlement has been or is to be refused;

- (v) the Shares remaining listed on the Stock Exchange at all times prior to the Latest Time for Termination and the current listing of the Shares not having been withdrawn and no indication being received before the Latest Time for Termination 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;
- (vi) the Underwriting Agreement not being terminated by any of the Underwriters pursuant to the terms hereof prior to the Latest Time for Termination;
- (vii) the compliance with and performance of all the undertakings and obligations of the Company under the terms of the Underwriting Agreement by the times specified;
- (viii) the compliance with and performance of all the undertakings and obligations by the relevant party under each of the Undertakings by the times specified;
- (ix) all relevant approvals having been obtained from all relevant governmental authorities as the case may require in connection with the Rights Issue by the relevant time that such consent and approval is required and such approvals not being withdrawn or revoked prior to the Latest Time for Termination;
- (x) there being no Specified Event occurring prior to the Latest Time for Termination; and
- (xi) in respect of the warranties and the undertakings contained in the relevant provision of the Underwriting Agreement by the Latest Time for Termination:
 - (a) no material breach of any of the warranties or the undertakings having come to the knowledge of the Underwriters;
 - (b) the Underwriters do not have any cause to believe that any material breach of the warranties or the undertakings has occurred or may occur; and
 - (c) no matter having arisen which would reasonably be expected to give rise to a material breach or a claim.

THE UNDERWRITING AGREEMENT

On 15 August 2017 (after trading hours of the Stock Exchange), the Company and the Underwriters entered into the Underwriting Agreement in respect of the underwriting arrangement for the Rights Issue. The principal terms of the Underwriting Agreement are as follows:

Date	:	15 August 2017
Underwriters	:	HTISCL and Emperor Securities
Total number of Rights Shares underwritten by the Underwriters	:	Not less than 1,620,687,465 Rights Shares and not more than 2,237,511,039 Rights Shares (having taken into account the irrecoverable undertakings from Better Joint, Glory Merit, Elite Mile and Sino Wealthy and assuming no Shares will be issued or repurchased by the Company on or before the Record Date other than pursuant to the conversion of the Convertible Bonds)
Commission	:	Each of the Underwriters shall receive 3.5% of the aggregate Subscription Price of the respective maximum number of Underwritten Shares underwritten by them

The terms of the Underwriting Agreement (including the commission rate) were determined after arm's length negotiation between the Company and the Underwriters by reference to the financial position of the Group, the size of the Rights Issue, the current and expected market condition and the prevailing market rate. The Directors considers that the terms of the Underwriting Agreement including the commission rate are fair and reasonable so far as the Company and the Shareholders are concerned.

Subject to the fulfilment of the conditions (or any waiver, as the case may be, by the Underwriters) contained in the Underwriting Agreement and provided that the Underwriting Agreement is not terminated prior to the Latest Time for Termination in accordance with the terms thereof, the Underwriters have agreed to subscribe or procure the subscription for all Underwritten Shares that are not otherwise taken up.

Irrevocable Undertakings from Better Joint, Glory Merit, Elite Mile and Sino Wealthy

Better Joint, Glory Merit, Elite Mile and Sino Wealthy have irrevocably and unconditionally undertaken in the Undertakings in favour of the Company and the Underwriters to subscribe for 1,547,006,749 Rights Shares, 323,759,711 Rights Shares, 523,995,742 Rights Shares and 278,982,450 Rights Shares to which Better Joint, Glory Merit, Elite Mile and Sino Wealthy are respectively entitled under the Rights Issue.

Undertaking given by the Underwriters

In the event of being called upon to subscribe for or procure subscribers of the Underwritten Shares pursuant to their underwriting commitment under the Underwriting Agreement,

- (i) the First Underwriter shall not subscribe, for its own account, for such number of Underwritten Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it together with the existing Shares held by its Affiliates in the Company to be 12% or more of the voting rights of the Company upon the completion of the Rights Issue, or any breach of any applicable laws and regulations (including but without limitation the Companies Ordinance) by the Company;
- (ii) the Second Underwriter shall not subscribe, for its own account, for such number of Underwritten Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to be 10% or more of the voting rights of the Company upon the completion of the Rights Issue, or any breach of any applicable laws and regulations (including but without limitation the Companies Ordinance) by the Company; and
- (iii) each of the Underwriters shall use its reasonable endeavours to ensure that each of the subscribers of the Underwritten Shares procured by it or its sub-underwriter(s) (i) shall be an Independent Third Party; and (ii) shall not, together with any party acting in concert (within the meaning of the Takeovers Code) with it, hold 10% or more of the voting rights of the Company upon completion of the Rights Issue.

Rescission and Termination of the Underwriting Agreement

If prior to the Latest Time for Termination:

- (i) in the sole and absolute opinion of any Underwriters, the success of the Rights Issue would be materially and adversely affected by the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) which may materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue;
- (ii) there shall develop, occur, happen, come into effect, exist or come to the knowledge of any of the Underwriters any event, series of events or circumstances concerning or relating to or which may give rise to (whether or not foreseeable): any change in, any event or series of events resulting in or likely to result in any change in (whether or not permanent) local, national or international financial, political, military, industrial, economic, legal, fiscal, taxation, regulatory or securities market matters or conditions or currency exchange rates or exchange controls in the PRC, Hong Kong, the United States, the European Union (or any member thereof) and Bermuda which, in the sole and absolute opinion of any Underwriters, may materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue;
- (iii) any event or circumstance in the nature of force majeure (including, without limitation, any act of government, any local, national or international event or change of a political, military, financial, economic or other nature, any local, national or international outbreak or escalation of hostilities or armed conflict affecting local securities markets, economic sanctions, strike or lock-out (whether or not covered by insurance), riot, fire, explosion, flooding, earthquake, civil commotion, act or declaration of war, outbreak or escalation of hostilities (whether or not war is or has been declared), act of terrorism (whether or not responsibility has been claimed), act of God, pandemic, epidemic, outbreak of infectious disease, declaration of a state of emergency or calamity or crisis, in the PRC, Hong Kong, the United States, the European Union (or any member thereof)) and Bermuda which, in the sole and absolute opinions of any Underwriters, may materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or

- (iv) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the sole and absolute opinion of any Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (v) any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out occurred after the signing of the Underwriting Agreement; or
- (vi) any change in the circumstances of the Company or any member of the Group occurs which in the sole and absolute opinion of any Underwriter shall adversely affect the prospects of the Group as a whole; or
- (vii) any moratorium, suspension or material restriction on trading of the Shares on the Stock Exchange occurs due to exceptional financial circumstances or otherwise; or
- (viii) any suspension in trading of securities generally or the Company's securities on the Stock Exchange for a period of more than 10 consecutive business days, excluding any suspension in connection with the clearance of this announcement or the Prospectus Documents or other announcements in connection with the Rights Issue;

any of the Underwriters shall be entitled by notice in writing to the Company and the other Underwriter, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

Each Underwriter will also be entitled by notice in writing to rescind the Underwriting Agreement if, prior to the Latest Time for Termination:

- (i) any matter or any event showing any of the representations, warranties and/or undertakings of the Company contained in the Underwriting Agreement was, when given, untrue or misleading or as having been breached in any material respect, or there has been a material breach by the Company of any of its obligations or undertakings under the Underwriting Agreement or any Underwriter has reasonable cause to believe that any such breach has occurred or that any matter has arisen which might reasonably be expected to give rise to such a breach or a claim; or

- (ii) any statement contained in the Prospectus has become or been discovered to be untrue, incorrect, incomplete in any material respect or misleading or deceptive, or matters have arisen or have been discovered which would, if the Prospectus was to be issued at the time, constitute a material omission therefrom; or
- (iii) there is any adverse change or prospective adverse change in the business, condition, results of operations, prospects, management, shareholders' equity or in the financial or trading position of the Group as a whole which, in the reasonable opinion of the Underwriter, is or may be so material and adverse so as to make it impracticable to proceed with the Rights Issue; or
- (iv) any Specified Event comes to the knowledge of such Underwriter; or
- (v) permission to deal in and listing of all the Rights Shares (in their nil-paid and fully-paid forms) has been withdrawn by the Stock Exchange.

EXPECTED TIMETABLE OF THE RIGHTS ISSUE

Set out below is the expected timetable of the implementation of the Rights Issue:

2017

Last day of dealings in the Shares on the Stock Exchange on
a cum-rights basis Friday, 25 August

First day of dealings in the Shares on the Stock Exchange on
an ex-rights basis. Monday, 28 August

Latest time for lodging transfer of Shares
in order to qualify for the Rights Issue 4:30 p.m. on Tuesday,
29 August

Register of members of the Company closes for
determining the eligibility to the Rights Issue
(both days inclusive) Wednesday, 30 August to
Friday, 1 September

Record Date for the Rights Issue. Friday, 1 September

Despatch of the Prospectus Documents	Monday, 4 September
First day of dealings in nil-paid Rights Shares	9:00 a.m. on Wednesday, 6 September
Latest time for splitting of nil-paid Rights Shares	4:30 p.m. on Friday, 8 September
Latest time of dealings in nil-paid Rights Shares	4:00 p.m. on Wednesday, 13 September
Latest time for acceptance and payment for the Rights Shares and the excess Rights Shares	4:00 p.m. on Monday, 18 September
Latest time for termination of the Underwriting Agreement by the Underwriters	4:00 p.m. on Thursday, 21 September
Announcement of the results of the Rights Issue	Friday, 22 September
Despatch of certificates for fully-paid Rights Shares and refund cheques for wholly or partially unsuccessful applications for excess Rights Shares on or before	Monday, 25 September
Commencement of dealings in the fully-paid Rights Shares	9:00 a.m. on Tuesday, 26 September

All times and dates stated above refer to Hong Kong local times and dates. The expected timetable for the Rights Issue set out above and all dates and deadlines specified in this announcement are indicative only and may be varied. Any changes to the expected timetable will be announced in a separate announcement by the Company as and when appropriate.

SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after completion of the Rights Issue:

Scenario 1:

Assuming no further issue of new Shares or repurchase of Shares on or before the Record Date:

	Immediately after completion of the Rights Issue					
	As at the date of this announcement		Assuming all Shareholders have taken up the Rights Shares		Assuming only Mr. King and his associates take up their Rights Shares and the Underwriters take up all the Underwritten Shares	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Mr. King and his associates:						
Better Joint (<i>Note 1</i>)	6,188,026,998	36.02%	7,735,033,747	36.02%	7,735,033,747	36.02%
Glory Merit (<i>Note 2</i>)	1,295,038,846	7.54%	1,618,798,557	7.54%	1,618,798,557	7.54%
Elite Mile (<i>Note 3</i>)	2,095,982,970	12.20%	2,619,978,712	12.20%	2,619,978,712	12.20%
Sino Wealthy (<i>Note 4</i>)	1,115,929,800	6.50%	1,394,912,250	6.50%	1,394,912,250	6.50%
Subtotal	10,694,978,614	62.26%	13,368,723,266	62.26%	13,368,723,266	62.26%
Public Shareholders						
Haitong International (<i>Notes 5 & 6</i>)	896,760,000	5.22%	1,120,950,000	5.22%	896,760,000	4.18%
Underwriters						
HTISCL (<i>Note 6</i>)	–	–	–	–	1,620,687,465	7.55%
Emperor Securities	–	–	–	–	–	–
Other Public Shareholders	5,585,989,854	32.52%	6,982,487,319	32.52%	5,585,989,854	26.01%
TOTAL	<u>17,177,728,468</u>	<u>100%</u>	<u>21,472,160,585</u>	<u>100%</u>	<u>21,472,160,585</u>	<u>100%</u>

Scenario 2:

Assuming Shares are issued on or before the Record Date due to the exercise of the conversion rights attached to the Convertible Bonds in full and no other issue or repurchase of Shares on or before the Record Date:

	As at the date of this announcement		Assuming Shares are issued on or before the Record Date upon the exercise of the conversion rights attached to the Convertible Bonds in full		Immediately after completion of the Rights Issue			
					Assuming all Shareholders have taken up the Rights Shares		Assuming only Mr. King and his associates take up their Rights Shares and the Underwriters take up all the Underwritten Shares	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Mr. King and his associates:								
Better Joint (Note 1)	6,188,026,998	36.02%	6,188,026,998	31.50%	7,735,033,747	31.50%	7,735,033,747	31.50%
Glory Merit (Note 2)	1,295,038,846	7.54%	1,295,038,846	6.59%	1,618,798,557	6.59%	1,618,798,557	6.59%
Elite Mile (Note 3)	2,095,982,970	12.20%	2,095,982,970	10.67%	2,619,978,712	10.67%	2,619,978,712	10.67%
Sino Wealthy (Note 4)	1,115,929,800	6.50%	1,115,929,800	5.68%	1,394,912,250	5.68%	1,394,912,250	5.68%
Subtotal	10,694,978,614	62.26%	10,694,978,614	54.44%	13,368,723,266	54.44%	13,368,723,266	54.44%
Public Shareholders								
Haitong International (Notes 5 & 6)	896,760,000	5.22%	1,204,498,095	6.13%	1,505,622,618	6.13%	1,204,498,095	4.91%
Convertible Bonds holders other than Haitong International	-	-	2,159,556,202	10.99%	2,699,445,252	10.99%	2,159,556,202	8.79%
Underwriters								
HTISCL (Note 6)	-	-	-	-	-	-	1,620,687,465	6.60%
Emperor Securities	-	-	-	-	-	-	616,823,574	2.51%
Other Public Shareholders	5,585,989,854	32.52%	5,585,989,854	28.44%	6,982,487,320	28.44%	5,588,989,854	22.75%
TOTAL	17,177,728,468	100%	19,645,022,765	100%	24,556,278,456	100%	24,556,278,456	100%

Notes:

1. Better Joint is wholly and beneficially owned by Mr. King, a substantial shareholder and a director of the Company.
2. Glory Merit is beneficially owned as to 99% by Mr. King.
3. Elite Mile is wholly and beneficially owned by Mr. King.
4. Sino Wealthy is indirectly, wholly and beneficially owned by Rentian Technology Holdings Limited, a company listed on the Stock Exchange under stock code 885. Rentian Technology Holdings Limited is beneficially owned as to 47.53% by Mystery Idea Limited. Mystery Idea Limited is in turn wholly and beneficially owned by Mr. King.

5. As at the date of this announcement, Haitong International holds (i) 736,180,000 Shares in long position and 736,180,000 derivative Shares in short position through Haitong International Financial Solutions Limited, which is wholly-owned by Haitong International Finance Company Limited, (ii) 160,580,000 Shares through Haitong International Finance Company Limited, and (iii) Convertible Bonds II issued by the Company in the principal amount of USD50,000,000 due 2018 which is convertible into a maximum of 307,738,095 Shares upon full conversion at the conversion price of HK\$1.26 based on the exchange rate of USD1 = HK\$7.755 through Haitong International Asset Management Limited, which is also wholly-owned by Haitong International Finance Company Limited. Haitong International Finance Company Limited is wholly-owned by Haitong International (BVI) Limited, which is in turn wholly-owned by Haitong International.
6. HTISCL is a wholly-owned subsidiary of Haitong International.

INFORMATION ON THE GROUP, REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The principal activity of the Company is investment holding. The Group is principally engaged in theme based leisure and consumption business, focusing on the design, development and operation of integrated large-scale tourist complex projects in key cities in and outside the PRC that comprise of theme parks, hotels, shopping and leisure facilities as well as other theme based consumption.

The Rights Issue supplements the Group's funding of its expansion and growth plan. The Directors consider that the Rights Issue will provide an opportunity to raise capital for the Company whilst strengthening the capital base and the financial position of the Company. Accordingly, the Directors consider that the Rights Issue is in the interests of the Company and the Shareholders as a whole.

The gross proceeds and net proceeds from the Rights Issue will be approximately HK\$1,718 million and HK\$1,677 million respectively (assuming no Shares are issued on or before the Record Date due to the exercise of the conversion rights attached to the Conversion Bonds) or approximately HK\$1,965 million and HK\$1,924 million respectively (assuming Shares are issued on or before the Record Date due to the full exercise of the conversion rights attached to the Conversion Bonds). The net proceeds of the Rights Issue are intended to be applied for (i) further development and expansion of the Group's property development and investment business in cities exhibiting high growth in tourism and integrated largescale complex projects, including but not limited to cities such as Qingdao, Beijing, Shenzhen and overseas cities; (ii) repayment of the Group's existing indebtedness and interest expenses (including the set-off arrangements set out in the paragraph headed "The Set-Off" below) to improve the gearing of the Group; and (iii) general working capital for the Group.

The Set-Off

Pursuant to the First Undertaking, the Second Undertaking and the Third Undertaking, all or part of the total Subscription Price payable by Better Joint, Glory Merit and Elite Mile will be set-off against all or part of the then outstanding amount owed by the Company to Better Joint, Glory Merit and Elite Mile respectively as at the Latest Time for Acceptance.

POSSIBLE ADJUSTMENTS TO THE CONVERTIBLE BONDS

The Rights Issue may lead to adjustments to the conversion price and/or the number of Shares to be issued upon exercise of the conversion right attached to the Convertible Bonds. The Company will notify the holders of the Convertible Bonds and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made (if any) pursuant to the terms and conditions of the Convertible Bonds.

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 sale of the nil-paid Rights on their behalf.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Save as disclosed below, the Company has not carried out any other equity fund raising activities during the 12 months immediately preceding the date of this announcement. The actual use of proceeds from the equity fund raising activities mentioned below is in line with the intended use of proceeds as disclosed in the respective announcements set out below:

Date of announcement	Fund raising activity	Approximate net proceeds raised (HK\$)	Actual use of proceeds (as at the date of this announcement)
17 May 2017	Issue of 300,000,000 Shares on 17 May 2017 pursuant to the placing agreement dated 4 May 2017	237.0 million	<ul style="list-style-type: none"> i. Approximately HK\$195 million for project investments; and ii. Approximately HK\$42 million for corporate operating expenses.
18 April 2017	Issue of 6.5% secured convertible bonds due 2020 in an aggregate principal amount of HK\$390,000,000	376.3 million	<ul style="list-style-type: none"> i. Approximately HK\$140.5 million for principal repayments and interest payments of borrowings; ii. Approximately HK\$215 million for project investments; and iii. Approximately HK\$20.8 million for corporate operating expenses.
14 December 2016	Issue of 830,350,000 Shares on 22 December 2016 pursuant to the placing agreement dated 14 December 2016	702.9 million	<ul style="list-style-type: none"> i. Approximately HK\$438.2 million for principal repayments and interest payments of borrowings; and ii. Approximately HK\$264.7 million for project investments.

LISTING RULES IMPLICATIONS

As the proposed Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50% within the twelve-month period immediately preceding this announcement, the Rights Issue is not subject to the approval of the Shareholders in a general meeting under the Listing Rules.

GENERAL

The Prospectus Documents containing, among other things, the Prospectus setting out details of the Rights Issue, the PAL and the EAF will be despatched to the Qualifying Shareholders on Monday, 4 September 2017. A copy of the Prospectus will also be made available on the websites of the Company (<http://www.0996.com.hk/>) and the Stock Exchange (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 (if any), as well as to holders of the Convertible Bonds (if required by the terms and conditions of the Convertible Bonds) for their information only, but will not send any PAL or EAF to them.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL-PAID RIGHTS SHARES

The Rights Issue is conditional, among other matters, upon fulfillment of the conditions set out under the sub-section headed “Conditions of the Rights Issue” in the section headed “Proposed Rights Issue” of this announcement. In particular, the Rights Issue is subject to the Underwriters not terminating or rescinding the Underwriting Agreement in accordance with the terms set out therein. Accordingly, the Rights Issue may or may not proceed. Any Shareholders or potential investors contemplating selling or purchasing the Shares and/or the nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled (and the date of the Underwriters’ right of termination or rescission of the Underwriting Agreement ceases) will bear the risk that the Rights Issue could not become unconditional and may not proceed. Shareholders and potential investors are reminded to exercise caution when dealing in the Shares and/or nil-paid Rights Shares. 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 advisers.

DEFINITION

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

“Affiliate(s)”	in respect of an Underwriter, any holding company or associated company or parent entity of such Underwriter and any subsidiary or subsidiary undertaking or associated company or holding company of such holding company or parent entity and the directors, officers, employees, advisers and agents of each of such company, entity or person of such Underwriter
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Better Joint”	Better Joint Venture Limited, a company incorporated in the British Virgin Islands with limited liability
“Business Day(s)”	any day (other than a Saturday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) as amended, supplemented and modified from time to time
“Companies (Winding Up and Miscellaneous Provisions)”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) as amended, supplemented and modified from time to time

“Company”	Carnival Group International Holdings Limited, a company incorporated in Bermuda with limited liability and the Shares of which are listed on the main board of the Stock Exchange (Stock Code: 00996)
“Convertible Bonds”	Convertible Bonds I, Convertible Bonds II, and Convertible Bonds III
“Convertible Bonds I”	convertible bonds of the Company in an aggregate principal amount of HK\$240,740,000 convertible into 300,925,000 Shares at the prevailing conversion price of HK\$0.8 per Share (subject to possible adjustment) as announced by the Company on 6 June 2015
“Convertible Bonds II”	convertible bonds of the Company in an aggregate principal amount of US\$285,000,000 (equivalent to approximately HK\$2,210,175,000) convertible into 1,754,107,141 Shares at the prevailing conversion price of HK\$1.26 per Share (subject to possible adjustment) as announced by the Company on 3 July 2015
“Convertible Bonds III”	convertible bonds of the Company in an aggregate principal amount of HK\$390,000,000 convertible into 412,262,156 Shares at the prevailing conversion price of HK\$0.946 per Share (subject to possible adjustment) as announced by the Company on 6 April 2017
“Director(s)”	the director(s) of the Company
“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares, in such usual form as may be agreed between the Company and the Underwriters
“Elite Mile”	Elite Mile Investments Limited, a company incorporated in the British Virgin Islands with limited liability

“Emperor Securities”	Emperor Securities Limited, a licensed corporation to carry out business in type 1 (dealing in securities) and type 4 (advising on securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“First Undertaking”	the irrevocable undertaking dated the date of Underwriting Agreement given by Better Joint in favour of the Company and the Underwriters among other things, to subscribe for its full entitlement of the Rights Shares
“Fourth Undertaking”	the irrevocable undertaking dated the date of Underwriting Agreement given by Sino Wealthy in favour of the Company and the Underwriters among other things, to subscribe for its full entitlement of the Rights Shares
“Glory Merit”	Glory Merit International Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), 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
“Haitong International”	Haitong International Securities Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 665)

“HTISCL” Haitong International Securities Company Limited, a licensed corporation to carry out business in type 1 (dealing in securities), type 3 (leveraged foreign exchange trading) and type 4 (advising on securities) regulated activities under the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong), is a wholly-owned subsidiary of Haitong International

“Independent Third Party(ies)”

a person who:

- (i) is not (and shall not become as a result of the consummation of the Rights Issue) a connected person of the Company and it shall not be deemed a connected person of the Company pursuant to Rules 14A.19 to 14A.21 of the Listing Rules;
- (ii) is not financing the subscription of the Rights Shares directly or indirectly by a connected person of the Company;
- (iii) is not accustomed to taking instructions from a connected person of the Company in relation to the acquisition, disposal, voting or other disposition of securities of the Company registered in its name or otherwise held by it; and
- (iv) would not result in its aggregate holding (direct and indirect) in the total issued share capital of the Company being 10% or more of the Company’s entire issued share capital at any time

“Last Trading Day”

15 August 2017, being the last trading day of the Shares on the Stock Exchange before the release of this announcement

“Latest Lodging Date”	Tuesday, 29 August 2017 or such other date as the Underwriters and the Company may agree, being the latest time for lodging transfer of Shares in order to be qualified for the Rights Issue
“Latest Time for Acceptance”	4:00 p.m. on Monday, 18 September 2017 or other time or date as may be agreed between the Company and the Underwriters, being the latest time for acceptance of, and payment for the Rights Shares and application for excess Rights Shares
“Latest Time for Termination”	4:00 p.m. on Thursday, 21 September 2017, being the third Business Day after the Latest Time for Acceptance, or such other time or date as may be agreed between the Company and the Underwriters
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. King”	Mr. King Pak Fu, an executive Director, the Chairman and the Chief Executive Officer as well as an substantial Shareholder of the Company
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Director(s), based on the enquiry made or legal advice obtained, consider it necessary or expedient 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 not to offer the Rights Shares to such Shareholders
“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) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“Prospectus”	the prospectus to be despatched to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus, the PAL and the EAF
“Prospectus Posting Date”	Monday, 4 September 2017 or such other date as the Underwriters may agree in writing with the Company, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Friday, 1 September 2017, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined (or such other date as the Underwriters may agree in writing with the Company)
“Registrar”	Tricor Standard Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, the Company’s branch share registrar and transfer office in Hong Kong
“Rights Issue”	the proposed issue by way of rights of one (1) Rights Share for every four (4) Shares in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions in the Underwriting Agreement and to be set out in the Prospectus Documents

“Rights Share(s)”	not less than 4,294,432,117 Rights Shares and not more than 4,911,255,691 Rights Shares to be issued and allotted under the Rights Issue
“Share(s)”	ordinary share(s) of nominal value of HK\$0.2 each in the share capital of the Company
“Second Undertaking”	the irrevocable undertaking dated the date of Underwriting Agreement given by Glory Merit in favour of the Company and the Underwriters among other things, to subscribe for its full entitlement of the Rights Shares
“Sino Wealthy”	Sino Wealthy Limited, a company incorporated in the British Virgin Islands with limited liability
“Shareholder(s)”	holder(s) of issued Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Specified Event”	an event occurring or matter arising on or after the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date hereof would have rendered any of the warranties contained in the relevant provision of Underwriting Agreement untrue or incorrect in any material respect
“Subscription Price”	HK\$0.4 per Rights Share
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Third Undertaking”	the irrevocable undertaking dated the date of Underwriting Agreement given by Elite Mile in favour of the Company and the Underwriters among other things, to subscribe for its full entitlement of the Rights Shares

“Underwriters”	collectively, HTISCL and Emperor Securities
“Underwriting Agreement”	the underwriting agreement dated 15 August 2017 entered into between the Company and the Underwriters in respect of the Rights Issue
“Underwritten Shares”	not less than 1,620,687,465 Rights Shares and not more than 2,237,511,039 Rights Shares underwritten by the Underwriters pursuant to the terms of the Underwriting Agreement
“Undertakings”	the First Undertaking, the Second Undertaking, the Third Undertaking and the Fourth Undertaking
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

By order of the Board
Carnival Group International Holdings Limited
King Pak Fu
Chairman

Hong Kong, 15 August 2017

The Board, as at the date of this announcement, comprises Mr. King Pak Fu (Chairman and Chief Executive Officer), Mr. Gong Xiao Cheng, Mr. Wang Yikun and Mr. Tsai Tson (also known as Steve Tsai) as executive Directors, and Mr. Chan Wai Cheung Admiral, Mr. Lie Chi Wing and Ms. Hu Gin Ing as independent non-executive Directors.