

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



偉俊礦業集團有限公司 *
WAI CHUN MINING INDUSTRY GROUP
COMPANY LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 660)

**VOLUNTARY ANNOUNCEMENT
IN REPLATION TO A FRAMEWORK AGREEMENT**

This announcement is made by Wai Chun Mining Industry Group Company Limited (the “Company”) on a voluntary basis to inform shareholders and potential investors of the Company of its latest business development.

The board of directors (the “Board”) of the Company is pleased to announce that on 24 September 2017, Shenzhen Wai Jun Da Ye Trading Company Limited * (深圳偉俊達業貿易有限公司) (“Shenzhen Wai Jun”), an indirect wholly-owned subsidiary of the Company, entered into a Framework Agreement (the “Framework Agreement”) with Hebei Han Wei Biotech Pharmaceutical Company Limited * (河北漢唯生物製藥有限公司) (the “Target Company”) and its original shareholders (“Original Shareholders”). Pursuant to which Shenzhen Wai Jun, the Target Company and the Original Shareholders proceed to an investment cooperation (the “Investment”), Shenzhen Wai Jun intends to invest RMB20,000,000 (equivalent to approximately HK\$23,600,000) by instalments into the Target Company. Upon completion, the Target Company will become an indirect non-wholly owned subsidiary of the Company.

PRINCIPAL TERMS OF THE FRAMEWORK AGREEMENT

Pursuant to the Framework Agreement, Shenzhen Wai Jun and the Target Company and the Original Shareholders proceed to an investment cooperation, Shenzhen Wai Jun intends to invest RMB20,000,000 (equivalent to approximately HK\$23,600,000) by instalments into the Target Company. The Target Company was incorporated in the People's Republic of China.

The existing authorised share capital of the Target Company is RMB30,000,000 (equivalent to approximately HK\$35,400,000). Since Shenzhen Wai Jun intends to invest RMB20,000,000 (equivalent to approximately HK\$23,600,000) by instalments into the Target Company, upon completion, Shenzhen Wai Jun and the Original Shareholders will hold 67% and 33% respectively of the shares of the Target Company and the Target Company will become an indirect non-wholly owned subsidiary of the Company.

The specific investment details will be made by the parties separately. The investment scope includes the Target Company's foreign investment interest in relation to pharmaceutical aspects, including clinical identification of new drugs company, etc.

COOPERATIVE IMPLEMENTATION

Pursuant to the Framework Agreement, the cooperative implementation entered includes:

- (i) Shenzhen Wai Jun is required to conduct due diligence of the Target Company before the investment, and to have a comprehensive understanding of the Target Company and the Original Shareholders' structure, business operation, financial and other situations. The Target Company and the Original Shareholders are required to provide assistance actively and provide the true information related to the due diligence.
- (ii) Upon the completion of the due diligence, subject to the result of the due diligence, Shenzhen Wai Jun has the right to decide unilaterally whether to enter specific investment or shareholders agreement. Shenzhen Wai Jun has the right to terminate the investment unilaterally in case it dissatisfied with the results of the due diligence conducted on the Target Company;
- (iii) The Target Company and the Original Shareholders jointly commit, the sales and net profit target of the Target Company in the year 2018 will not less than RMB200,000,000 (equivalent to approximately HK\$236,000,000) and RMB100,000,000 (equivalent to approximately HK\$118,000,000) respectively.

INFORMATION ABOUT THE TARGET COMPANY

The Target Company established in the PRC on 19 October 2016. The Target Company is principally engaged in the research and development, production and sales of biological products, natural medicine, diagnostic reagents, food medicine, Chinese & Western medicine and recipes; patented technology-related products and production of raw and auxiliary materials required for the development, production and sales. The Target Company is a leading domestic emerging bio-pharmaceutical high-tech enterprise, focusing on serious threats to human life and health of the major diseases of the original research innovative drug research and development, production and sales. It has established a leading international level of bio-pharmaceutical research and development and industrialization platform. The platform has a recombinant protein seed bank, anti-tumor biological drugs and pharmaceutical grade functional food and other projects.

According to the description of the Target Company, its two major highlights of the projects, “Preclinical study of antitumor protein drugs based on T cell receptor targets” (antitumor protein is a drug that produces excellent inhibitory effects on tumor cells and solid tumors) and “Based on the characteristics of the new artemisinin-based preparations” (for the effective fight against malaria, is conducive to improving the treatment of bioavailability and efficacy of international new drugs) have been approved as major specialities by the 13th Five-Year Plan of the People’s Republic of China.

REASONS FOR AND BENEFITS OF THE INVESTMENT

The Board is of the opinion that the Investment will bring a new revenue stream and satisfactory investment returns to the Company as disclosed in the section headed “Information about the Target Company”. The Board is also of the view that the terms and conditions of the Investment are fair and reasonable and in the interests of the Company and the shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As none of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Investment calculated exceeds 5%, the Investment does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules.

General

To the best knowledge, information and belief of the Board and after making all reasonable enquiries, each of the Vendors, the Target Company and its ultimate beneficial owners(s) are independent third parties, and are not connected persons of the Company.

The Framework Agreement is subject to Shenzhen Wei Jun on the results of due diligence to be satisfactory. So the Framework Agreement may not be put into practice. Investors and shareholders are advised to exercise caution when dealing in the securities of the Company.

Shareholders and potential investors of the Company should note that the sales and net profit targets information still have uncertainty. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By order of the Board

Wai Chun Mining Industry Group Company Limited

LAM Ching Kui

Chairman and Chief Executive Officer

Hong Kong, 24 September, 2017

As at the date of this announcement, the Board comprises an executive director, Mr. Lam Ching Kui (Chairman and Chief Executive Officer), and three independent non-executive directors, Mr. Chan Chun Wai, Tony, Mr. Hau Pak Man and Mr. To Yan Ming, Edmond.

For the purpose of this announcement, the translation of RMB into HK\$ is based on the approximately exchange rate of RMB1.00 = HK\$1.18. Such translation should not be construed as a representation that the amount in question has been, could have been or could be converted at any particular rate or at all.

** for identification purpose only*