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ZHEJIANG SHIBAO COMPANY LIMITED*
浙江世寶股份有限公司

(a joint stock company incorporated in the People's Republic of China with limited liability)
(Stock code: 1057)

**(A) ANNOUNCEMENT IN RELATION TO EXTENSION OF
VALIDITY PERIOD OF THE RESOLUTIONS OF
THE NON-PUBLIC ISSUANCE OF A SHARES AND EXTENSION OF
VALIDITY PERIOD OF THE AUTHORISATION TO
THE BOARD GRANTED BY THE GENERAL MEETING OF
SHAREHOLDERS TO DEAL WITH MATTERS RELATING TO
THE NON-PUBLIC ISSUANCE OF A SHARES
AND
(B) EXTRAORDINARY GENERAL MEETING AND CLASS MEETINGS**

**RESOLUTIONS IN RELATION TO THE NON-PUBLIC ISSUANCE OF A SHARES
OF THE COMPANY**

Reference is made to the circular of the Company dated 23 November 2016 regarding, among other things, the Non-public Issuance of A Shares, and the announcement of the Company dated 12 December 2016 regarding, among other things, the Company's consideration and approval of the Non-public Issuance of A Shares and authorisation to the Board to deal with, in its absolute discretion, matters relating to the Non-public Issuance of A Shares.

* For identification purpose only

Reference is also made to the circular of the Company dated 12 April 2017 regarding, among other things, the adjustments to certain resolutions of the Non-public Issuance of A Shares, and the announcement of the Company dated 8 May 2017 regarding, among other things, the Company's consideration and approval of the adjustments to certain resolutions of the Non-public Issuance of A Shares.

It is announced that on 23 October 2017, the Board resolved by way of written resolutions as the 29th meeting of the fifth session of Board that, subject to Shareholders' approval, (i) to extend the validity period of the resolutions of the Non-public Issuance of A Shares; and (ii) to extend the validity period of the authorisation to the Board granted by the general meeting of Shareholders to deal with, in its absolute discretion, matters relating to the Non-public Issuance of A Shares. The resolutions shall be submitted to the 2017 Second EGM, 2017 Third A Shareholders' Class Meeting and 2017 Third H Shareholders' Class Meeting for consideration and approval pursuant to the Articles of Association.

GENERAL INFORMATION

The Company will convene the 2017 Second EGM, 2017 Third A Shareholders' Class Meeting and 2017 Third H Shareholders' Class Meeting to seek approval of the Shareholders on (among other things) the aforesaid resolutions relating to the Non-public Issuance of A Shares. Please note that the Non-public Issuance of A Shares is also subject to the approval by the CSRC and other relevant regulatory authorities.

A circular containing details of the aforesaid resolutions will be despatched to the H Shareholders as soon as practicable in accordance with the Listing Rules.

The Shareholders and potential investors should be aware that the Non-public Issuance of A Shares is subject to the obtaining of various approvals from the securities regulatory authorities such as the CSRC, as well as various factors including market condition. As such, the Non-public Issuance of A Shares may or may not proceed. Accordingly, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

RESOLUTIONS IN RELATION TO THE NON-PUBLIC ISSUANCE OF A SHARES

Reference is made to the circular of the Company dated 23 November 2016 regarding, among other things, the Non-public Issuance of A Shares, and the announcement of the Company dated 12 December 2016 regarding, among other things, the Company's consideration and approval of the Non-public Issuance of A Shares and authorisation to the Board to deal with, in its absolute discretion, matters relating to the Non-public Issuance of A Shares.

Reference is also made to the circular of the Company dated 12 April 2017 regarding, among other things, the adjustments to certain resolutions of the Non-public Issuance of A Shares, and the announcement of the Company dated 8 May 2017 regarding, among other things, the Company's consideration and approval of the adjustments to certain resolutions of the Non-public Issuance of A Shares.

It is announced that on 23 October 2017, the Board resolved by way of written resolutions as the 29th meeting of the fifth session of the Board that, subject to Shareholders' approval, (i) to extend the validity period of the resolutions of the Non-public Issuance of A Shares; and (ii) to extend the validity period of the authorisation to the Board granted by the general meeting of Shareholders to deal with, in its absolute discretion, matters relating to the Non-public Issuance of A Shares. The resolutions shall be submitted to the 2017 Second EGM, 2017 Third A Shareholders' Class Meeting and 2017 Third H Shareholders' Class Meeting for consideration and approval pursuant to the Articles of Association.

A summary of the resolutions is set out below. Details of the resolutions will be contained in a circular to be despatched to the Shareholders.

(1) Extension of validity period of the resolutions of the Non-public Issuance of A Shares

The proposed Non-public Issuance of A Shares has been considered and approved at the 2016 Second EGM, 2016 First A Shareholders' Class Meeting, 2016 First H Shareholders' Class Meeting, the 2017 First EGM, 2017 First A Shareholders' Class Meeting and 2017 First H Shareholders' Class Meeting.

Given that the validity period of the resolutions of the Non-public Issuance of A Shares is 12 months from the date of the 2017 First EGM, the 2017 First A Shareholders' Class Meeting and the 2017 First H Shareholders' Class Meeting, while relevant works for the Non-public Issuance of A Shares are still undergoing, in order to ensure the effective and smooth implementation of the Non-public Issuance of A Shares, the Company proposes to extend the validity period of the resolutions of the Non-public Issuance of A Shares. The extended validity period will be 12 months commencing from the date of considering and passing the resolution relating to the extension of validity period of the resolutions of the Non-public Issuance of A Shares at the 2017 Second EGM, 2017 Third A Shareholders' Class Meeting and 2017 Third H Shareholders' Class Meeting.

The resolution shall be considered and approved by the 2017 Second EGM, 2017 Third A Shareholders' Class Meeting and 2017 Third H Shareholders' Class Meeting.

(2) Extension of validity period of the authorisation to the Board granted by the general meeting of the Shareholders to deal with matters relating to the Non-public Issuance of A Shares

The authorisation to the Board to deal with, in its absolute discretion, matters relating to the Non-public Issuance of A Shares has been considered and approved at the 2016 Second EGM.

Given that the validity period of the resolution of the authorisation to the Board to deal with, in its absolute discretion, matters relating to the Non-public Issuance of A Shares will expire on 12 December 2017, while relevant works for the Non-public Issuance of A Shares are still undergoing, in order to ensure the effective and smooth implementation of the Non-public Issuance of A Shares, the Company proposes to extend the validity period of the authorisation to the Board to deal with, in its absolute discretion, matters relating to the Non-public Issuance of A Shares. The extended validity period will be 12 months commencing from the date of considering and passing the resolution relating to the extension of validity period of the authorisation to the Board granted by the general meeting of the Shareholders to deal with, in its absolute discretion, matters relating to the Non-public Issuance of A Shares at the 2017 Second EGM.

The resolution shall be considered and approved by the 2017 Second EGM.

Saved as above, the other terms of the proposal of the Non-public Issuance of A Shares remain unchanged.

GENERAL INFORMATION

The Company will convene the 2017 Second EGM, 2017 Third A Shareholders' Class Meeting and 2017 Third H Shareholders' Class Meeting to (among other things) seek approval of the Shareholders on the resolutions relating to the proposed Non-public Issuance of A Shares. Please note that in addition to the approval of Shareholders, the Non-public Issuance of A Shares is also subject to the approval by the CSRC and other relevant regulatory authorities.

A circular containing, among other things, details on the resolutions relating to the proposed Non-public Issuance of A Shares will be despatched to the H Shareholders as soon as practicable in accordance with the Listing Rules.

The Shareholders and potential investors should be aware that the Non-public Issuance of A Shares is subject to the obtaining of various approvals from the securities regulatory authorities such as the CSRC, as well as various factors including market condition. As such, the Non-public Issuance of A Shares may or may not proceed. Accordingly, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, unless the context requires otherwise, the following expressions have the following meanings.

“2016 First A Shareholders’ Class Meeting”	the 2016 first A Shareholders’ class meeting of the Company held on 12 December 2016 by the Company
“2016 First H Shareholders’ Class Meeting”	the 2016 first H Shareholders’ class meeting of the Company held on 12 December 2016 by the Company
“2016 Second EGM”	the 2016 second extraordinary general meeting of the Company held on 12 December 2016 by the Company
“2017 First A Shareholders’ Class Meeting”	the 2017 first A Shareholders’ class meeting of the Company held on 8 May 2017 by the Company
“2017 First EGM”	the 2017 first extraordinary general meeting of the Company held on 8 May 2017 by the Company

“2017 First H Shareholders’ Class Meeting”	the 2017 first H Shareholders’ class meeting of the Company held on 8 May 2017 by the Company
“2017 Second EGM”	the 2017 second extraordinary general meeting of the Company to be convened and held on 12 December 2017 to consider and, if thought fit, approve, among other things, the resolutions relating to the Non-public Issuance of A Shares
“2017 Third A Shareholders’ Class Meeting”	the 2017 third A Shareholders’ class meeting of the Company to be convened and held on 12 December 2017 to consider and, if thought fit, approve, among other things, the resolutions relating to the Non-public Issuance of A Shares
“2017 Third H Shareholders’ Class Meeting”	the 2017 third H Shareholders’ class meeting of the Company to be convened and held on 12 December 2017 (or immediate following the conclusion or adjournment of the 2017 Third A Shareholders’ Class Meeting) to consider and, if thought fit, approve, among other things, the resolutions relating to the Non-public Issuance of A Shares
“A Shareholder(s)”	holder(s) of A Shares
“A Shares”	PRC listed A Shares of the Company, with a nominal value of RMB1.00 each, which are listed and traded on the Shenzhen Stock Exchange
“Articles of Association”	Articles of Association of the Company, as amended from time to time
“Board”	the board of Directors of the Company
“Company”	浙江世寶股份有限公司 (Zhejiang Shibao Company Limited*), a joint stock limited company incorporated in the PRC
“CSRC”	the China Securities Regulatory Commission
“Director(s)”	director(s) of the Company
“H Shareholder(s)”	holder(s) of H Shares

“H Shares”	overseas listed foreign shares of the Company, with a nominal value of RMB1.00 each, which are listed and traded on the Hong Kong Stock Exchange
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Listing Rules”	the Rules Governing the Listing of Securities on the Hong Kong Stock Exchange
“Non-public Issuance of A Shares”	the proposed issue of not more than 62,146,892 new A Shares in the PRC, which shares are proposed to be listed and traded on the Shenzhen Stock Exchange
“PRC”	the People’s Republic of China, but for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Shareholder(s)”	holder(s) of the Shares
“Share(s)”	A Share(s) and/or H Share(s)

By order of the Board
Zhejiang Shibao Company Limited
ZHANG SHI QUAN
Chairman and General Manager

Hangzhou, Zhejiang, the PRC
24 October 2017

As at the date of this announcement, the Board comprises Mr. Zhang Shi Quan, Mr. Zhang Bao Yi, Mr. Tang Hao Han and Ms. Zhang Lan Jun as executive Directors; Mr. Zhang Shi Zhong and Mr. Zhu Jie Rong as non-executive Directors; and Mr. Zhang Hong Zhi, Mr. Guo Kong Hui and Mr. Shum Shing Kei as independent non-executive Directors.