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NationalInvestments

National Investments Fund Limited

國盛投資基金有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1227)

(1) LAPSE OF THE SETTLEMENT DEED; AND (2) POSSIBLE FUND RAISING EXERCISE

Reference is made to the announcements of the Company dated 9 February 2017, 5 May 2017 and 9 June 2017 (the “**Announcements**”) in relation to the Settlement Deed entered into between the Company and the Creditor. Capitalised terms used herein shall have the same meanings as defined in the Announcements unless the context requires otherwise.

As certain conditions precedent to the Settlement Deed have not been fulfilled on or before the Further Long Stop Date, i.e. 8 August 2017, the Settlement Deed has lapsed pursuant to the terms therein. As such, the Settlement Deed has become null and void and of no further effect, and both parties to the Settlement Deed have been released from their respective obligations under the Settlement Deed save for any antecedent breaches thereof. The Company is in the process of a rights issue. The proposed timetable and terms has already been submitted to the Stock Exchange and the actual terms are still subject to an agreement between the Company and the underwriter. Up to the date of this announcement, the possible rights issue being contemplated is on the basis of one rights share for every two existing shares held on the record date at a subscription price of HK\$0.035. Tentatively, the Company is considering to raise gross proceeds of approximately HK\$42 million to repay its outstanding indebtedness.

Please note that the possible rights issue exercise may or may not proceed and none of the terms of the possible rights issue as mentioned above have been finalised. No agreement in relation thereto has been entered into as at the date of this announcement.

Save for the abovementioned possible rights issue exercise, the Company intends to conduct further equity fund raising, debts financing/capitalization for the next 12 months, whenever it finds fit, however, there is no plan and agreement in relation thereto has been entered into as at the date of this announcement.

Investors are advised to exercise caution when dealing with the shares of the Company.

By order of the Board
National Investments Fund Limited
Wong Danny F.
Chairman and Executive Director

Hong Kong, 31 October 2017

As at the date of this announcement, the Board of the Company comprises three executive Directors, namely Mr. Wong Danny F. (Chairman), Mr. Wu Tse Wai, Frederick, Mr. Fong Chi Wah; and three independent non-executive Directors, namely Mr. Char Shik Ngor, Stephen, Mr. Liu Jin and Mr. Law Tze Lun.