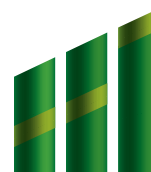


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This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any securities of HTICI.

**HAO TIAN INTERNATIONAL
CONSTRUCTION
INVESTMENT GROUP LIMITED**
昊天國際建設投資集團有限公司
*(Incorporated in the Cayman Islands with limited
liability)*
(Stock Code: 1341)



**HAO TIAN DEVELOPMENT
GROUP LIMITED**
昊天發展集團有限公司
*(Incorporated in the Cayman Islands with
limited liability)*
(Stock Code: 00474)

JOINT ANNOUNCEMENT

DISCLOSEABLE TRANSACTION

**SHARE SWAP BETWEEN HTICI AND
OSHIDORI INVOLVING ISSUE OF
SHARES UNDER GENERAL
MANDATE**

DISCLOSEABLE TRANSACTION

**SHARE SWAP BETWEEN HTICI AND
OSHIDORI INVOLVING DEEMED
DISPOSAL IN RELATION TO ISSUE
OF SHARES BY HTICI**

THE SHARE SWAP

On 2 April 2020 (after trading hours), HTICI and Oshidori entered into the Share Swap Agreement pursuant to which, subject to the fulfillment of the Conditions, the parties have agreed amongst other things that HTICI agreed to issue and allot the 625,000,000 Subscription Shares under the General Mandate to Oshidori or its nominee(s) in exchange of the 187,500,000 Consideration Shares from Oshidori on the terms and conditions of the Share Swap Agreement.

Immediately after Completion of the Share Swap Agreement, assuming no other changes in the issued share capital in HTICI and Oshidori, respectively, from the date of this announcement:

- (a) Oshidori (or its nominee(s)) will hold 625,000,000 shares in HTICI, representing approximately 14.12% of the existing issued share capital of HTICI, and approximately 12.37% of the enlarged issued share capital of HTICI immediately after the issue and allotment of the Subscription Shares that fall to be issued pursuant to the Share Swap Agreement; and

(b) HTICI (or its nominee(s)) will hold 187,500,000 shares in Oshidori, representing approximately 3.23% of the existing issued share capital of Oshidori, and approximately 3.13% of the enlarged issued share capital of Oshidori immediately after the issue and allotment of the Consideration Shares that fall to be issued pursuant to the Share Swap Agreement.

To the best of the knowledge, information and belief of the respective directors of HTD and HTICI, having made all reasonable enquiries, Oshidori and its ultimate beneficial owner is an Independent Third Party.

IMPLICATIONS UNDER THE LISTING RULES

The Share Swap

For each of HTD and HTICI, as one or more than one of the percentage ratios applicable to each of HTD and HTICI in respect of the Share Swap exceed 5% but are all less than 25%, the transactions contemplated under the Share Swap Agreement therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Deemed Disposal of HTD

The allotment and issue of the Subscription Shares by HTICI, being an indirect non-wholly owned subsidiary of HTD, constitutes a deemed disposal transaction of HTD under Chapter 14 of the Listing Rules. As one or more of the percentage ratios applicable to such deemed disposal exceeds 5% but are all less than 25%, the allotment and issue of the Subscription Shares by HTICI constitutes a discloseable transaction of HTD under Chapter 14 of the Listing Rules.

INTRODUCTION

On 2 April 2020 (after trading hours), HTICI and Oshidori entered into the Share Swap Agreement pursuant to which, subject to the fulfillment of the Conditions, the parties have agreed amongst other things that HTICI agreed to issue and allot the 625,000,000 Subscription Shares under the General Mandate to Oshidori or its nominee(s) in exchange of the 187,500,000 Consideration Shares from Oshidori on the terms and conditions of the Share Swap Agreement.

THE SHARE SWAP AGREEMENT

Principal terms of the Share Swap Agreement are set out below:

Date: 2 April 2020 (after trading hours)

Parties: (i) HTICI
(ii) Oshidori

To the best of the knowledge, information and belief of the respective directors of HTD and HTICI, having made all reasonable enquiries, Oshidori and its ultimate beneficial owner is an Independent Third Party.

The Share Swap

Subject to satisfaction of the Conditions, Oshidori or its nominee(s) shall subscribe for, and HTICI shall issue and allot, the 625,000,000 Subscription Shares credited as fully paid at the subscription price of HK\$0.21 per Subscription Share to Oshidori or its nominee(s), free from all encumbrances and with all rights hereinafter attached, and in return, Oshidori shall issue and allot the 187,500,000 Consideration Shares at the subscription price of HK\$0.70 per Consideration Share to HTICI or its nominee(s) free from all encumbrances and with all rights hereinafter attached.

Pursuant to the terms of the Share Swap Agreement, the Subscription Shares and Consideration Shares shall be subject to a lock-up period of two years from the date of issue during which Oshidori and HTICI cannot sell, offer to sell, transfer or otherwise dispose of any of the Subscription Shares and Consideration Shares respectively without the other party's prior consent.

Moreover, the signing of the Share Swap Agreement does not restrict HTICI and Oshidori from carrying out future fund-raising activities by issuing new securities.

The Subscription Shares

The Subscription Shares, when issued, shall rank pari passu in all respects among themselves and with all other HTICI Shares in issue as at Completion. The Subscription Shares will be issued by HTICI under the General Mandate. As at the date of this announcement, there are a total of 4,427,883,632 HTICI Shares in issue. A total of 625,000,000 Subscription Shares represent:

- (i) approximately 14.12% of the total number of HTICI Shares in issue as at the date of this announcement; and
- (ii) approximately 12.37% of the total number of HTICI Shares as enlarged by the allotment and issue of the Subscription Shares (assuming there will be no change in the total number of HTICI Shares in issue between the date of this announcement and the allotment and issue of the Subscription Shares).

The subscription price for the Subscription Shares

The subscription price of HK\$0.21 per Subscription Share represents:

- (i) a discount of approximately 14.98% to the closing price of HK\$0.247 per HTICI Share as quoted on the Stock Exchange on 2 April 2020, being the last full trading day for the HTICI Shares immediately before the execution of the Share Swap Agreement;
- (ii) a discount of approximately 15.32% to the average closing price of HK\$0.248 per HTICI Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Share Swap Agreement;

- (iii) a premium of approximately 13.51% over the audited consolidated net asset value per HTICI Share of approximately HK\$0.185 as at 31 March 2019; and
- (iv) a premium of approximately 9.95% over the unaudited consolidated net asset value per HTICI Share of approximately HK\$0.191 as at 30 September 2019.

The aggregate subscription price of the Subscription Shares is HK\$131.25 million and the aggregate nominal value of the 625,000,000 Subscription Shares of HK\$0.01 per HTICI Share is HK\$6,250,000.

The subscription price of the Subscription Shares was determined after arm's length negotiations between HTICI and Oshidori, with reference to the recent market price of HTICI Shares as well as the net asset value per HTICI Share of HK\$0.191 as of 30 September 2019. Each of the board of HTD and board of HTICI considers that the terms of the Proposed Issue (including the subscription price for the Subscription Shares) are fair and reasonable and on normal commercial terms and in the interests of HTD and HTICI and their respective shareholders as a whole.

The Consideration Shares

The Consideration Shares, when issued, shall rank pari passu in all respects among themselves and with all other Oshidori Shares in issue as at Completion. The Consideration Shares will be issued under its general mandate by Oshidori. As at the date of this announcement, there are a total of 5,811,766,282 Oshidori Shares in issue. A total of 187,500,000 Consideration Shares represent:

- (i) approximately 3.23% of the total number of Oshidori Shares in issue as at the date of this announcement; and
- (ii) approximately 3.13% of the total number of Oshidori Shares as enlarged by the allotment and issue of the Consideration Shares (assuming there will be no change in the total number of Oshidori Shares in issue between the date of this announcement and the allotment and issue of the Consideration Shares).

The subscription price for the Consideration Shares

The subscription price of HK\$0.70 per Consideration Share represents:

- (i) a premium of approximately 7.69% over the closing price of HK\$0.65 per Oshidori Share as quoted on the Stock Exchange on 2 April 2020, being the last full trading day for the Oshidori Shares immediately before the execution of the Share Swap Agreement;
- (ii) a premium of approximately 11.11% over the average closing price of HK\$0.63 per Oshidori Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Share Swap Agreement; and
- (iii) a discount of approximately 34.09% to the audited consolidated net asset value per Oshidori Share of approximately HK\$1.062 as at 31 December 2019.

The aggregate subscription price of the Consideration Shares is HK\$131.25 million and the aggregate nominal value of the 187,500,000 Consideration Shares of HK\$0.05 per Oshidori Share is HK\$9,375,000.

The subscription price of the Consideration Shares was determined after arm's length negotiations between HTICI and Oshidori, with reference to the recent market price of Oshidori Shares as well as the net asset value per Oshidori Share of HK\$1.062 as of 31 December 2019. Each of the board of HTD and the board of HTICI considers that the terms of the Proposed Subscription (including the subscription price for the Consideration Shares) are fair and reasonable and on normal commercial terms and in the interests of HTD and HTICI and their respective shareholders as a whole.

Conditions precedent

The obligations of the parties to effect completion of the Share Swap Agreement is conditional upon the following conditions precedent:

- (a) the Listing Committee of the Stock Exchange having granted approval for the listing of and permission to deal in the Subscription Shares and Consideration Shares;
- (b) the simultaneous completion of the Proposed Issue and Proposed Subscription in full; and
- (c) if applicable, the obtaining of all consents from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Share Swap Agreement and any of the transaction contemplated hereunder.

If the Conditions have not been fulfilled on or before 5:00 p.m on 29 April 2020 (or such other date as HTICI and Oshidori may agree in writing), the Share Swap Agreement shall lapse and become null and void and the parties hereto shall be released from all obligations hereunder, save for any liability arising out of any antecedent breaches thereof.

Completion

Completion of the Share Swap shall take place on or before the 3rd Business Day after all of the Conditions have been satisfied in accordance with the Share Swap Agreement.

General Mandate

The Subscription Shares will be issued under the General Mandate pursuant to which the directors of HTICI are allowed to issue up to 885,576,726 HTICI Shares (representing 20% of the issued share capital in HTICI as at the date of the annual general meeting on 18 September 2019). Up to the date of this announcement, no HTICI Share has been issued under the General Mandate.

Application for listing

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares to be issued upon completion of the Proposed Issue pursuant to the Share Swap Agreement.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

HTICI has not conducted any fund raising activities in the past twelve months before the date of this announcement.

EFFECT ON THE SHAREHOLDING STRUCTURE OF HTICI

For illustrative purpose only, the following table sets out the effect of the issue of a total of 625,000,000 Subscription Shares on the shareholding structure of HTICI based on the total number of issued HTICI Shares as at the date of this announcement and assuming (i) the completion having taken place of the Proposed Issue; and (ii) the Subscription Shares having been issued and allotted, without taking into account any other new HTICI Shares, if any, after the date of this announcement and prior to the completion of the Proposed Issue.

	As at the date of this announcement		Immediately upon the issuance and allotment of the Subscription Shares	
	<i>Number of HTICI Shares</i>	<i>Approximate % (Note 1)</i>	<i>Number of HTICI Shares</i>	<i>Approximate % (Note 1)</i>
HTD	3,164,504,688 <i>(Note 2)</i>	71.47	3,164,504,688 <i>(Note 2)</i>	62.63
Oshidori	—	—	625,000,000	12.37
Public shareholders of HTICI	1,263,378,944	28.53	1,263,378,944	25.0
Total	<u>4,427,883,632</u>	<u>100</u>	<u>5,052,883,632</u>	<u>100</u>

Notes:

1. Certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.
2. As at the date of this announcement, HTD is interested in an aggregate of 3,164,504,688 HTICI Shares, comprising of (i) the 2,388,944,688 HTICI Shares through its wholly-owned companies Win Team Investments Limited and Hao Tian Management (China) Limited; and (ii) 775,560,000 HTICI Shares through its wholly-owned company Win Team Investments Limited and non-wholly owned subsidiary Hao Tian Management (Hong Kong) Limited.

INFORMATION OF OSHIDORI

Oshidori principally engages in investment holdings, trading and investment in securities, and the provisions of (i) securities brokerage services, (ii) placing and underwriting services, (iii) corporate finance advisory services, (iv) money lending services, (v) investment advisory and asset management services, and (vi) margin financing services.

After completion of the Proposed Issue, Oshidori or its nominee(s) will hold approximately 12.37% equity interest in HTICI, becoming the second largest shareholder of HTICI. Oshidori has not expressed an intention to nominate a person to stand for election as a director of HTICI.

As of the date of this announcement, Oshidori holds no HTICI Shares.

Set out below is the audited consolidated financial information of Oshidori extracted from its annual results for the year ended 31 December 2019:

	For the years ended 31 December	
	2018	2019
	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	(94,493)	282,333
Loss before taxation	21,241	396,101
Loss after taxation	1,376	360,014

As at 31 December 2019, the audited consolidated net asset value of Oshidori was approximately HK\$6,174.5 million.

INFORMATION REGARDING THE GROUP

HTD and the HTD Group

HTD is an exempted company incorporated in the Cayman Islands with limited liability. HTD is an investment holding company and the HTD Group is engaged in the following principal activities: (i) money lending; (ii) securities investment; (iii) provision of commodities and securities brokerage service; (iv) rental and trading of construction machinery; (v) property leasing; and (vi) asset management.

HTICI and the HTICI Group

HTICI is an exempted company incorporated in the Cayman Islands with limited liability. HTICI is an investment holding company and the HTICI Group is engaged in the following principal activities: (a) the construction machinery business, serving primarily the construction sector in Hong Kong. The business include: (i) rental of construction machinery; (ii) trading of construction machinery and spare parts; and (iii) provision of machinery transportation services; and (b) the provision of financial services, conducting: (i) Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Cap. 571); (ii) money lending activities; and (iii) brokerage of general insurance and long term (including linked long term) insurance.

REASONS FOR AND BENEFITS OF THE SHARE SWAP

In December 2018, the HTICI Group completed the acquisition of a new line of business in the financial service sector to diversify its business with a view to broadening source of income. One of the development strategy of the HTICI Group is to increase its presence in the financial market in Hong Kong and the Mainland China by organic growth or working with reputable partners and the Share Swap is in line with the existing strategy of HTICI.

In view of the expertise and resources of Oshidori in the financial service sector, it is believed that the Share Swap will be conducive to the development of the financial services of HTICI. The Share Swap will allow HTICI and Oshidori to become strategic alliance

which would bring in synergy in sharing of expertise and resources in the financial services industry to get through the challenging year of Hong Kong, for instance, (i) identify and implement projects that are of mutual interest to both parties; (ii) exchange and refer business opportunities as the parties think appropriate; and (iii) share market intelligence for the benefit and risk management of the parties' businesses. Moreover, based on the net asset value of approximately HK\$1.062 per Oshidori Share, the subscription price for the Consideration Shares represents a discount of approximately HK\$0.362 to the net asset value per Oshidori Share as at 31 December 2019, which could imply an investment potential of such Oshidori Shares.

As the Subscription Shares will be exchanged for the Consideration Shares and no cash consideration would be paid, HTICI Group's internal financial resources would not be reduced. It is expected that both the total assets and net assets of the HTICI Group and the HTD Group will be increased subsequent to the Completion. Upon issue and allotment of the Subscription Shares at Completion, HTICI will be held as to 62.63% by HTD and HTICI will remain a subsidiary of HTD and its financial results will continue to be consolidated in that of the HTD Group. It is expected that no gain or loss will be recorded by the HTD Group from the deemed disposal.

Having considered the above reasons, each of the board of HTD and the board of HTICI consider that the terms and conditions of the Share Swap Agreement are fair and reasonable and are in the interests of their respective shareholders as a whole.

LISTING RULES IMPLICATIONS

The Share Swap

For each of HTD and HTICI, as one or more than one of the percentage ratios applicable to each of HTD and HTICI in respect of the Share Swap exceed 5% but are all less than 25%, the transactions contemplated under the Share Swap Agreement therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Deemed Disposal of HTD

The allotment and issue of the Subscription Shares by HTICI, being an indirect non-wholly owned subsidiary of HTD, constitutes a deemed disposal transaction of HTD under Chapter 14 of the Listing Rules. As one or more of the percentage ratios applicable to such deemed disposal exceeds 5% but are all less than 25%, the allotment and issue of the Subscription Shares by HTICI constitutes a discloseable transaction of HTD under Chapter 14 of the Listing Rules.

Completion of the Share Swap is conditional upon the fulfilment of the Conditions, which may or may not be fulfilled. Accordingly, the Share Swap may or may not proceed. Shareholders and potential investors should exercise caution when they deal or contemplate dealing in the HTICI Shares and other securities of HTICI and that of HTD.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Business Day(s)”	a day (other than any Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are open for the business and normal banking transactions
“Completion”	the completion of the Proposed Issue and Proposed Subscription in accordance with the terms of the Share Swap Agreement
“Condition(s)”	the condition(s) precedent to Completion set out in the Share Swap Agreement
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Consideration Shares”	the Oshidori Shares to be issued by Oshidori to HTICI or its nominee(s) pursuant to the Share Swap Agreement
“General Mandate”	the general mandate which was granted to the directors of HTICI pursuant to an ordinary resolution passed at the annual general meeting held by HTICI on 18 September 2019 to issue and allot up to 885,576,726 HTICI Shares, representing 20% of the aggregate nominal amount of the share capital of HTICI in issue on the date of passing such resolution
“HKD” or “HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HTD”	Hao Tian Development Group Limited, an exempted company incorporated in the Cayman Islands with limited liability whose issued shares are listed on the Main Board of the Stock Exchange (stock code: 474), which is an indirect controlling shareholder of HTICI
“HTD Group”	HTD and its subsidiaries, including without limitation the HTICI Group
“HTICI”	Hao Tian International Construction Investment Group Limited, an exempted company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Main Board of the Stock Exchange (stock code: 1341)
“HTICI Group”	HTICI and its subsidiaries
“HTICI Share(s)”	ordinary share(s) in the capital of HTICI
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the knowledge, information and belief of the respective directors of HTD and HTICI, having made all reasonable enquiries, are not connected persons of HTD or HTICI and are third parties independent of HTD, HTICI and their respective connected persons in accordance with the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Oshidori”	Oshidori International Holdings Limited, a company incorporated in Bermuda, the shares of which are listed on the Main Board of the Stock Exchange (stock code: 622)
“Oshidori Share(s)”	ordinary share(s) in the capital of Oshidori
“PRC”	the People’s Republic of China and for the purposes of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Proposed Issue”	the proposed issue of the 625,000,000 Subscription Shares by HTICI to Oshidori or its nominee(s) pursuant to the Share Swap Agreement
“Proposed Subscription”	the proposed subscription by HTICI for the 187,500,000 Consideration Shares to be issued by Oshidori pursuant to the Share Swap Agreement
“Share Swap”	the swap of the Subscription Shares in exchange of the Consideration Shares between HTICI and Oshidori in accordance with the terms and conditions of the Share Swap Agreement
“Share Swap Agreement”	the Share Swap Agreement dated 2 April 2020 entered into between HTICI and Oshidori in respect of the Share Swap
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Subscription Shares” the HTICI Shares to be allotted and issued by HTICI under the General Mandate to Oshidori or its nominee(s) in accordance with the Shares Swap Agreement

“%” per cent

By order of the board of directors of
**Hao Tian International Construction
Investment Group Limited**
Fok Chi Tak
Executive Director

By order of the board of directors of
Hao Tian Development Group Limited
Fok Chi Tak
Executive Director

Hong Kong, 2 April 2020

As at the date of this announcement, the board of HTD comprises three executive directors, namely Mr. Xu Haiying, Dr. Zhiliang Ou, J.P., (Australia) and Mr. Fok Chi Tak; and three independent non-executive directors, namely Mr. Chan Ming Sun Jonathan, Mr. Lam Kwan Sing and Mr. Lee Chi Hwa Joshua.

As at the date of this announcement, the board of HTICI comprises five executive directors, namely Mr. Zhang Sheng (Vice Chairman), Mr. Fok Chi Tak, Mr. Zheng Li, Mr. Tang Yiu Chi James and Dr. Zhiliang Ou, J.P., (Australia); and three independent non-executive directors, namely Mr. Lee Chi Hwa Joshua, Mr. Mak Yiu Tong and Mr. Li Chi Keung Eliot.