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Shunten International (Holdings) Limited

順騰國際(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 932)

COMPLETION OF PLACING OF CONVERTIBLE BONDS UNDER GENERAL MANDATE

Placing Agent



凱匯資本證券有限公司
Core Capital Securities Limited

References are made to the announcements of the Company dated 16 and 17 September 2019 in relation to the Placing of the Convertible Bonds in an aggregate principal amount of up to HK\$200 million (the “**Announcements**”). Unless otherwise specified, capitalised terms used herein shall have the meanings as those defined in the Announcements.

COMPLETION OF THE PLACING

The Board is pleased to announce that all conditions of the Placing as set out in the Placing Agreement have been fulfilled and completion of the Placing took place on 4 October 2019, whereby an aggregate principal amount of HK\$180 million of 10% unsecured redeemable Convertible Bonds due 2021 convertible into 416,666,666 Conversion Shares based on the initial Conversion Price of HK\$0.432 each (subject to adjustments) were issued by the Company to not less than six Placees.

To the best of the knowledge, information and belief of the Placing Agent, having made all reasonable enquiries by the Placing Agent, the Placees and their ultimate beneficial owners are Independent Third Parties. None of the Placees has become a substantial Shareholder (as defined in the Listing Rules) of the Company as a result of the Convertible Bonds subscribed by it on a fully converted basis as at the Completion Date.

The gross proceeds from the Placing are HK\$180 million, and the net proceeds from the Placing are approximately HK\$178.1 million after deduction of all related costs, fees, expenses and commission incurred in the Placing.

The Company shall apply (i) approximately 50% of the net proceeds of the Placing in the amount of HK\$89.05 million to redeem the outstanding principal amount of the Existing CB, interest and other amounts accrued thereunder of approximately HK\$178.22 million; (ii) approximately 40% of the net proceeds of the Placing in the amount of HK\$71.24 million to enhance and further develop the formulating, marketing, sale and distribution of health and beauty supplements and products in Hong Kong and the PRC; and (iii) approximately 10% of the net proceeds of the Placing in the amount of HK\$17.81 million to replenish the Group's general working capital.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

On the assumption that the Convertible Bonds would be converted into Conversion Shares in full at the initial Conversion Price, the 416,666,666 Conversion Shares represent (i) approximately 16.54% of the total number of issued Shares immediately before completion of the Placing; and (ii) approximately 14.19% of the total number of issued Shares as enlarged by the allotment and issue of the 416,666,666 Conversion Shares.

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon full conversion of the Convertible Bonds (assuming that there is no other change in the issued share capital of the Company since the date of this announcement) is set out below:

| Shareholder | As at the date of this announcement | | Upon full conversion of the Convertible Bonds (Note 1) | |
|--|-------------------------------------|----------------------|---|----------------------|
| | Number of Shares | Approximate % | Number of Shares | Approximate % |
| Directors (including ex-Directors) and substantial Shareholders | | | | |
| Mr. Chan Yan Tak (Note 2) | 733,568,000 | 29.12 | 733,568,000 | 24.99 |
| Mr. Lee Chi Hang, Sidney (Note 3) | <u>3,000,000</u> | <u>0.12</u> | <u>3,000,000</u> | <u>0.10</u> |
| Sub-total | 736,568,000 | 29.24 | 736,568,000 | 25.09 |
| Public Shareholders | | | | |
| The Bondholders | — | — | 416,666,666 | 14.19 |
| Other public Shareholders | <u>1,782,343,200</u> | <u>70.76</u> | <u>1,782,343,200</u> | <u>60.72</u> |
| Sub-total | <u>1,782,343,200</u> | <u>70.76</u> | <u>2,199,009,866</u> | <u>74.91</u> |
| Total | <u><u>2,518,911,200</u></u> | <u><u>100.00</u></u> | <u><u>2,935,577,866</u></u> | <u><u>100.00</u></u> |

Notes:

- For illustrative purpose, it is assumed that the Convertible Bonds will be converted in full that a maximum of 416,666,666 Conversion Shares will be issued to the Bondholders.
- Able Island Group Limited and Nice Day Investment Limited are investment holding companies incorporated in the British Virgin Islands with limited liability and hold an aggregate of 733,568,000 Shares. The entire issued share capital of each of the aforesaid companies is held by Mr. Chan Yan Tak, the honorary chairman of the Company. Mr. Chan resigned as the chairman of the Board, an executive Director, the chief executive officer and an authorised representative of the Company with effect from 1 April 2019.
- Mr. Lee Chi Hang, Sidney is an executive Director.
- The percentages are subject to rounding difference, if any.

By order of the Board
Shunten International (Holdings) Limited
Wang Xihua
Executive Director

Hong Kong, 4 October 2019

As at the date of this announcement, the executive Directors are Mr. LEE Chi Hang, Sidney, Mr. WANG Xihua and Mr. LAI Wei Lam, William; and the independent non-executive Directors are Ms. SZETO Wai Ling, Virginia, Mr. LEUNG Winson Kwan Yau, Mr. TAM Kin Yip and Mr. LEUNG Man Loon.