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## **ZHONG HUA INTERNATIONAL HOLDINGS LIMITED**

### **中華國際控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1064)**

### **PROPOSED SHARE SUBDIVISION**

The Board proposes that each of the existing issued and unissued Shares of par value of HK\$0.10 each in the share capital of the Company be subdivided into four (4) Subdivided Shares of par value of HK\$0.025 each. The Share Subdivision will become effective upon the fulfillment of the conditions set out in the section headed “Conditions of the Share Subdivision” below.

A SGM will be convened and held to consider and, if thought fit, approve the Share Subdivision. A circular containing further details of the Share Subdivision, including the trading arrangements in respect of the Subdivided Shares and the arrangements for free exchange of share certificates, together with a notice convening the SGM, is expected to be despatched to the Shareholders on or before 8 June 2015.

### **PROPOSED SHARE SUBDIVISION**

The Board proposes that each of the existing issued and unissued Shares of par value of HK\$0.10 each in the share capital of the Company be subdivided into four (4) Subdivided Shares of par value of HK\$0.025 each.

As at the date of this announcement, the authorised share capital of the Company is HK\$100,000,000 divided into 1,000,000,000 Shares of HK\$0.10 each, of which 151,404,130 Shares have been issued and are fully paid or credited as fully paid. Upon the Share Subdivision becoming effective, the authorised share capital of the Company will become HK\$100,000,000 divided into 4,000,000,000 Subdivided Shares of HK\$0.025 each, of which 605,616,520 Subdivided Shares will be in issue and fully paid or credited as fully paid, assuming that no further Shares are allotted, issued or repurchased prior to the Share Subdivision becoming effective.

The Company's shares are currently traded in board lots of 5,000 Shares. Upon the Share Subdivision becoming effective, the board lot size will remain unchanged and in board lots of 5,000 Subdivided Shares. The Share Subdivision is not expected to result in any odd lots other than those already exist. Upon the Share Subdivision becoming effective, the Subdivided Shares will rank *pari passu* with each other in all respects.

### **CONDITIONS OF THE SHARE SUBDIVISION**

The Share Subdivision is conditional upon the following:

- (i) the passing of an ordinary resolution by the Shareholders at the SGM to approve the Share Subdivision; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subdivided Shares arising from the Share Subdivision.

Assuming all the conditions are fulfilled, the Share Subdivision will become effective on the next Business Day following the passing of the ordinary resolution as specified therein, which is expected to be 25 June 2015.

### **REASONS FOR THE SHARE SUBDIVISION**

Upon the proposed Share Subdivision becoming effective, the par value of each share will decrease and the total number of shares in issue will increase. The Share Subdivision will result in a downward adjustment to the trading price of the shares of the Company. The Board believes that the Share Subdivision will reduce the volatility of the trading price of the Company's shares and thus improving liquidity of the Subdivided Shares. Further, the Board is of the view that the Share Subdivision may broaden the shareholders' base of the Company.

Save for the expenses to be incurred by the Company in relation to the Share Subdivision, the implementation of the Shares Subdivision will not, by itself, alter the underlying assets, business operations, management or the financial position of the Company or the proportionate interest of the Shareholders. The Board considers that the Share Subdivision is in the interests of the Company and the Shareholders as a whole.

### **EXCHANGE OF SHARE CERTIFICATES**

Subject to the Share Subdivision becoming effective, the Shareholders can submit their existing certificates for the Shares in pink colour to the Company's share registrar, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, in exchange for new share certificates for the Subdivided Shares in green colour free of charge between 9:00 a.m. and 4:30 p.m. on any Business Day from Thursday, 25 June 2015 to Monday, 3 August 2015 (both days inclusive). After the expiry of such period, existing certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each existing share certificate cancelled or each new share certificate issued (whichever number of share certificates involved is higher).

It is expected that the new share certificates for the Subdivided Shares will be available for collection within a period of ten (10) Business Days after submission of the existing share certificates for the Shares to Tricor Tengis Limited for exchange.

The existing certificates will only be valid for trading purpose for the period up to 4:00 p.m. on Thursday, 30 July 2015 and thereafter will not be accepted for trading purpose. However, the existing certificates for the Shares will continue to be good evidence of legal title and may be exchanged for certificates for Subdivided Shares on the basis of one (1) Share for four (4) Subdivided Shares.

**EXPECTED TIMETABLE**

The expected timetable for the implementation of the Share Subdivision is set out below:

Despatch of the circular  
(including the notice of SGM  
and the form of proxy for the SGM) . . . . . on or before Monday, 8 June 2015

Latest time for lodging the form of proxy for the SGM . . . . . 11:30 a.m. on  
Monday, 22 June 2015

Expected date and time of the SGM . . . . . 11:30 a.m. on Wednesday, 24 June 2015

Publication of announcement of  
the poll results of the SGM . . . . . Wednesday, 24 June 2015

**The following events are conditional on the fulfilment of the conditions for the implementation of the Share Subdivision as set out in the section headed “Conditions of the Share Subdivision” above.**

Effective date of the Share Subdivision . . . . . Thursday, 25 June 2015

First day of free exchange of existing share certificates  
for new share certificates for the Subdivided Shares . . . . . Thursday, 25 June 2015

Dealing in Subdivided Shares commences . . . . . 9:00 a.m. on Thursday, 25 June 2015

Original counter for trading in Shares in board lots of  
5,000 Shares temporarily closes . . . . . 9:00 a.m. on  
Thursday, 25 June 2015

Temporary counter for trading in Subdivided Shares  
in board lots of 20,000 Subdivided Shares . . . . . 9:00 a.m. on  
(in the form of existing share certificates) opens . . . . . Thursday, 25 June 2015

Original counter for trading in Subdivided Shares  
in board lots of 5,000 Subdivided Shares 9:00 a.m. on  
(in the form of new share certificates) re-opens . . . . . Friday, 10 July 2015

Parallel trading in the Shares and Subdivided Shares  
(in the form of existing share certificates and 9:00 a.m. on  
new shares certificates) commences . . . . . Friday, 10 July 2015

Temporary counter for trading in Subdivided Shares  
in board lots of 20,000 Subdivided Shares 4:00 p.m. on  
(in the form of existing share certificates) closes . . . . . Thursday, 30 July 2015

Parallel trading in Shares and Subdivided Shares  
(in the form of existing share certificates and 4:00 p.m. on  
new share certificates) ends. . . . . Thursday, 30 July 2015

Last day for free exchange of existing share certificates 4:30 p.m. on  
for new share certificates for the Subdivided Shares . . . . . Monday, 3 August 2015

**GENERAL**

The SGM will be convened and held to consider and, if thought fit, approve the Share Subdivision. No Shareholders are required to abstain from voting at the SGM on the resolution in relation to the Share Subdivision. A circular containing further details of the Share Subdivision, including the trading arrangements in respect of the Subdivided Shares and the arrangements for free exchange of share certificates, together with a notice convening the SGM, is expected to be despatched to the Shareholders on or before 8 June 2015.

An application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Subdivided Shares arising from the Share Subdivision.

**DEFINITIONS**

In this announcement, the following terms shall have the meanings set opposite them unless the context otherwise requires:

- “Board” the board of Directors
- “Business Day(s)” any day(s) on which the Stock Exchange is open for transactions of business
- “Company” Zhong Hua International Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange

“Director(s)”	the director(s) of the Company
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	has the meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“SGM”	the special general meeting of the Company to be convened to consider and, if thought fit, approve the Share Subdivision
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Share Subdivision”	the proposed subdivision of each issued and unissued Share into four (4) Subdivided Shares
“Shareholder(s)”	the holder(s) of the Share(s) or Subdivided Shares, as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Shares(s)”	ordinary share(s) of HK\$0.025 each in the share capital of the Company upon the Share Subdivision becoming effective

By Order of the Board of  
**Zhong Hua International Holdings Limited**  
**Ho Kam Hung**  
*Executive Director*

Hong Kong, 3 June 2015

*As at the date of this announcement, the board of directors of the Company comprises:(i) Ho Kam Hung as executive director; (ii) Young Kwok Sui as non-executive director; and (iii) Tam Kong, Lawrence, Wong Miu Ting, Ivy and Wong Kui Fai as independent non-executive directors.*