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HENG TAI CONSUMABLES GROUP LIMITED

亨泰消費品集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 00197)

(1) RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF ONE RIGHTS SHARE FOR EVERY ONE SHARE HELD ON THE RECORD DATE;

AND

(2) ADJUSTMENTS IN RELATION TO THE SHARE OPTIONS

RESULTS OF THE RIGHTS ISSUE

As at 4:00 p.m. on Tuesday, 3 January 2017, being the Latest Time for Acceptance and payment for the Rights Shares, a total of 64 valid acceptances and applications had been received for a total of 663,886,075 Rights Shares, which comprised: (a) 35 valid acceptances of provisional allotments under the PALs in respect of a total of 322,724,944 Rights Shares, representing approximately 35.84% of the total number of Rights Shares available under the Rights Issue; and (b) 29 valid applications for excess Rights Shares under the EAFs in respect of a total of 341,161,131 Rights Shares, representing approximately 37.89% of the total number of Rights Shares available under the Rights Issue.

UNDERWRITING AGREEMENT

As all the conditions set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriter prior to the Latest Time for Termination, the Underwriting Agreement became unconditional at 4:00 p.m. on Wednesday, 4 January 2017.

EXCESS RIGHTS SHARES

Based on the number of valid acceptances of provisional allotments under the PALs referred to above, 577,623,147 Rights Shares were available as excess Rights Shares for subscription under the EAFs. Qualifying Shareholders applying for excess Rights Shares under the EAFs amounting to a total of 341,161,131 Rights Shares will be fully allotted with the number of excess Rights Shares they applied for.

DESPATCH OF SHARE CERTIFICATES

It is expected that the share certificates for the fully-paid Rights Shares in respect of valid acceptances for the Rights Shares under the PALs and successful application for excess Rights Shares under the EAFs will be despatched to the persons entitled thereto by ordinary post on Wednesday, 11 January 2017 at their own risk.

Reference is made to the prospectus (the “**Prospectus**”) of Heng Tai Consumables Group Limited (the “**Company**”) dated 15 December 2016 in relation to, among other things, the Rights Issue.

Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

The Board announces that as at 4:00 p.m. on Tuesday, 3 January 2017, being the Latest Time for Acceptance and payment for the Rights Shares, a total of 64 valid acceptances and applications had been received for a total of 663,886,075 Rights Shares, which comprised: (a) 35 valid acceptances of provisional allotments under the PALs in respect of a total of 322,724,944 Rights Shares, representing approximately 35.84% of the total number of Rights Shares available under the Rights Issue; and (b) 29 valid applications for excess Rights Shares under the EAFs in respect of a total of 341,161,131 Rights Shares, representing approximately 37.89% of the total number of Rights Shares available under the Rights Issue. The aggregate of 663,886,075 Rights Shares accepted and applied for represents approximately 73.74% of the total number of Rights Shares available under the Rights Issue.

THE UNDERWRITING AGREEMENT

As all the conditions set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had not been terminated by the Underwriter prior to the Latest Time for Termination, the Underwriting Agreement became unconditional at 4:00 p.m. on Wednesday, 4 January 2017.

Pursuant to the Directors Take-Up Undertakings, Best Global and World Invest had subscribed for an aggregate of 137,539,457 Rights Shares provisionally allotted to them under the PAL, which have been included in the above results statistics.

Based on the above results, the Rights Issue was under-subscribed by 236,462,016 Rights Shares. In accordance with the terms of the Underwriting Agreement, the Underwriter and its sub-underwriters have procured subscribers to subscribe for all such 236,462,016 Rights Shares and the obligations of the Underwriter in respect of the Underwritten Shares had been fully discharged.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, as at the date of this announcement, the subscribers procured by the Underwriter and/or the sub-underwriters and their respective ultimate beneficial owners (as the case may be) are third parties independent of the Company and its connected persons.

EXCESS RIGHTS SHARES

Based on the number of valid acceptances of provisional allotments under the PALs referred to above, 577,623,147 Rights Shares were available as excess Rights Shares for subscription under the EAFs. Qualifying Shareholders applying for excess Rights Shares under the EAFs amounting to a total of 341,161,131 Rights Shares will be fully allotted with the number of excess Rights Shares they applied for.

CHANGE IN SHAREHOLDING STRUCTURE

For illustration purpose, the shareholding structure of the Company immediately before and after completion of the Rights Issue is as follows:

	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>No. of Shares</i>	<i>Approx. %</i>	<i>No. of Shares</i>	<i>Approx. %</i>
Best Global	108,980,564	12.11	217,961,128	12.10
World Invest	28,558,893	3.17	57,117,786	3.17
Chan Cheuk Yu (<i>Note</i>)	94,977,984	10.55	521,955,073	28.99
Public Shareholders				
Subscribers procured by the Underwriter/ sub-underwriters	–	–	236,462,016	13.13
Other public Shareholders	667,830,650	74.17	767,200,179	42.61
Total	<u>900,348,091</u>	<u>100.00</u>	<u>1,800,696,182</u>	<u>100.00</u>

Note: As informed by Mr Chan Cheuk Yu, the sole legal and beneficial owner of the entire issued capital of Glazy Target Limited, that (i) Glazy Target Limited had subscribed 66,432,089 Rights Shares; and (ii) he himself had subscribed and had applied for excess for a total of 360,545,000 Rights Shares. Out of the shareholdings immediately after completion of the Rights Issue, Mr. Chan is deemed interested in the 132,864,178 shares held by Glazy Target Limited and 389,090,895 shares are held by Mr. Chan himself.

DESPATCH OF SHARE CERTIFICATES

It is expected that the share certificates for the fully-paid Rights Shares in respect of valid acceptances for the Rights Shares under the PALs and successful application for excess Rights Shares under the EAFs will be despatched to the persons entitled thereto by ordinary post on Wednesday, 11 January 2017 at their own risk. Each allottee will receive one share certificate for all the Rights Shares issued to him/her/it.

COMMENCEMENT OF DEALINGS IN RIGHTS SHARES

Dealings in the Rights Shares are expected to commence on the Stock Exchange at 9:00 a.m. on Thursday, 12 January 2017.

ADJUSTMENTS OF OPTIONS

Pursuant to the terms of the Share Option Scheme, the exercise prices of the Options and the number of Shares to be allotted and issued upon full exercise of the subscription rights attaching to the 47,788,885 Options outstanding as at the date of this announcement were adjusted (the “**Options Adjustments**”) in accordance with the terms of the Share Option Scheme and the appendix of supplementary guidance attached to the letter from the Stock Exchange dated 5 September 2005 relating to adjustments to the exercise price of options or number of shares that may be converted from the outstanding options and in compliance with Rule 17.03(13) of the Listing Rules in the following manner:

Date of grant	Exercisable period	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
		<i>Number of Shares issuable on the exercise of the Options</i>	<i>Exercise Price per Share (HK\$)</i>	<i>Adjusted number of Shares issuable on the exercise of the Options</i>	<i>Adjusted exercise price per Share (HK\$)</i>
15 June 2011	1 January 2013 to 31 December 2017	1,388,885	5.720	1,444,440	5.500
16 January 2015	16 January 2015 to 15 January 2020	46,400,000	0.914	48,256,000	0.879
		<u>47,788,885</u>		<u>49,700,440</u>	

The Option Adjustments will take effect on 11 January 2017. Save for the above adjustments, all other terms and conditions of the Options will remain unchanged.

The external auditor of the Company, RSM Hong Kong, has reviewed and confirmed in writing the Options Adjustments.

By order of the Board
Heng Tai Consumables Group Limited
Lam Kwok Hing
Chairman

Hong Kong, 10 January 2017

As at the date of this announcement, the Board comprises four executive directors, namely Mr. Lam Kwok Hing (Chairman), Ms. Lee Choi Lin, Joecy, Ms. Hung Sau Yung, Rebecca and Ms. Gao Qin Jian; and three independent non-executive directors, namely Mr. John Handley, Ms. Mak Yun Chu and Mr. Poon Yiu Cheung, Newman.