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Jun Yang Financial Holdings Limited
君陽金融控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 397)

**ANNOUNCEMENT PURSUANT TO
RULE 3.2 OF THE TAKEOVERS CODE
IN RELATION TO PRE-CONDITIONAL VOLUNTARY
SECURITIES EXCHANGE PARTIAL OFFER AND OPTION OFFER
AND
RESUMPTION OF TRADING**

This announcement is made by Jun Yang Financial Holdings Limited (the “**Company**”) pursuant to Rule 3.2 of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”) issued by the Securities and Futures Commission of Hong Kong (the “**SFC**”).

THE OFFERS

On 17 November 2017, the board (the “**Board**”) of directors (the “**Directors**”, and each a “**Director**”) of the Company received a letter from Jicheng Investment Limited, the Offeror, notifying the Board of the Offeror’s intention to make a pre-conditional voluntary securities exchange partial offer and option offer.

On 28 November 2017, the Offeror published an announcement (the “**Offer Announcement**”) in respect of (i) the Partial Offer to acquire 1,593,874,096 Jun Yang Shares (representing approximately 54.74% of the issued share capital of the Company as at the date of this announcement); and (ii) the Option Offer to cancel a maximum of 116,886,645 outstanding Jun Yang Options (representing approximately 54.74% of all outstanding Jun Yang Options as at the date of this announcement). Unless otherwise defined herein, capitalised terms in this announcement shall have the same meaning as in the Offer Announcement.

As disclosed in the Offer Announcement, the Offeror directly holds 2,462,818,000 China Jicheng Shares as at the date of the Offer Announcement (representing approximately 65.68% of the total issued share capital of China Jicheng as at the date of the Offer Announcement)

and will settle the consideration of the Offers by way of exchanging part of the China Jicheng Shares held by the Offeror. For detailed terms of the Offers, please refer to the Offer Announcement.

RELEVANT SECURITIES OF THE COMPANY

In compliance with Rule 3.8 of the Takeovers Code, the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company comprise 2,911,712,734 Jun Yang Shares and 213,530,591 outstanding Jun Yang Options to subscribe for 213,530,591 Jun Yang Shares, as at the date of this announcement. Among such Jun Yang Options, (i) 10,591 outstanding 2003 Jun Yang Options were granted under the share option scheme adopted by the Company on 17 November 2003 and the exercise price of such 10,591 outstanding 2003 Jun Yang Options is HK\$162.80 per Jun Yang Share with the exercise period of 10 years commencing from 18 April 2008 to 17 April 2018; and (ii) 213,520,000 outstanding 2013 Jun Yang Options were granted under the share option scheme adopted by the Company on 4 June 2013 and (a) the exercise price of such 38,860,000 outstanding 2013 Jun Yang Options is HK\$0.142 per Jun Yang Share with the exercise period commencing from 10 April 2017 to 9 April 2019 and (b) the exercise price of such 174,660,000 outstanding 2013 Jun Yang Options is HK\$0.17 per Jun Yang Share with the exercise period commencing from 24 January 2017 to 23 January 2019. Save as the aforesaid, the Company has no other outstanding relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this announcement.

GENERAL

Pursuant to Rule 8.2 of the Takeovers Code, the Offeror is required to despatch the Offer Document containing, amongst other things, the terms and conditions of the Offers and the form(s) of acceptance and transfer in respect of the Offers, to the Jun Yang Independent Shareholders and Jun Yang Optionholders within 35 days of the date of the Offer Announcement. In response, a response document, which will contain, amongst other things, the recommendation of the Independent Board Committee and the advice of the independent financial adviser to the Independent Board Committee on the Offers, will be issued and despatched by the Company to the Jun Yang Shareholders and Jun Yang Optionholders within 14 days after the posting of the Offer Document by the Offeror in relation to the Offers, or as permissible pursuant to the Takeovers Code.

DISCLOSURE OF DEALINGS

Associates of the Company (as defined under the Takeovers Code, including, among others, persons who own or control 5% or more of the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company) and the Offeror are reminded to disclose their dealings in the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company pursuant to the requirements of the Takeovers Code.

In accordance with Rule 3.8 of the Takeovers Code, reproduced below is the full text of Note 11 to Rule 22 of the Takeovers Code:

“Responsibilities of stockbrokers, banks and other intermediaries

Stockbrokers, banks and others who deal in relevant securities on behalf of clients have a general duty to ensure, so far as they are able, that those clients are aware of the disclosure obligations attaching to associates and other persons under Rule 22 and that those clients are willing to comply with them. Principal traders and dealers who deal directly with investors should, in appropriate cases, likewise draw attention to the relevant Rules. However, this does not apply when the total value of dealings (excluding stamp duty and commission) in any relevant security undertaken for a client during any 7 day period is less than \$1 million.

This dispensation does not alter the obligation of principals, associates and other persons themselves to initiate disclosure of their own dealings, whatever total value is involved.

Intermediaries are expected to co-operate with the Executive in its dealings enquiries. Therefore, those who deal in relevant securities should appreciate that stockbrokers and other intermediaries will supply the Executive with relevant information as to those dealings, including identities of clients, as part of that co-operation.”

RESUMPTION OF TRADING

At the request of the Company, trading in the Jun Yang Shares on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) has been suspended from 2:40 p.m. on Friday, 17 November 2017 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for the resumption of trading in the Jun Yang Shares on the Stock Exchange with effect from 9:00 a.m. on 30 November 2017.

WARNING

As disclosed in the Offer Announcement, the making of the Offers is subject to, *inter alia*, the satisfaction or waiver (as applicable) of the Pre-Conditions, and as such the Offers are a possibility only and may or may not be made. Jun Yang Shareholders, Jun Yang Optionholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Jun Yang Shares, exercising the Jun Yang Options or other rights in respect of any of them. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisors.

By order of the Board
Jun Yang Financial Holdings Limited
Choi Chun Chung, Danny
Chairman

Hong Kong, 29 November 2017

As at the date of this announcement, the executive Directors are Dr. Tang Sing Hing, Kenny, Mr. Wu, William Wai Leung and Mr. Sit Sai Hung, Billy; the non-executive Director is Mr. Choi Chun Chung, Danny; and the independent non-executive Directors are Mr. Wong Kun To, Mr. Chu Hau Lim and Ms. Lim Xue Ling, Charlene.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.