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China Hongqiao Group Limited
中國宏橋集團有限公司

(Incorporated under the laws of Cayman Islands with limited liability)
(Stock Code: 1378)

**COMPLETION OF THE PLACING OF PLACING SHARES
UNDER SHARE SPECIFIC MANDATE**

The Board is pleased to announce that all the conditions as set out in the Share Placing Agreement have been fulfilled and the completion of the Share Placing took place on 24 November 2017 in accordance with the terms and conditions of the Share Placing Agreement.

Reference is made to (i) the announcement of China Hongqiao Group Limited (the “**Company**”) dated 15 August 2017, (ii) the circular of the Company dated 2 November 2017 (the “**Circular**”), and (iii) the poll results announcement of the Company dated 20 November 2017 in relation to, among others, the Share Placing under the Share Specific Mandate and the CB Placing under the CB Specific Mandate. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as defined in the Circular.

COMPLETION OF THE SHARE PLACING

The Board is pleased to announce that all the conditions as set out in the Share Placing Agreement have been fulfilled and the completion of the Share Placing took place on 24 November 2017 in accordance with the terms and conditions of the Share Placing Agreement. An aggregate of 806,640,670 Placing Shares, representing 10.00% of the issued share capital of the Company as enlarged by the Placing Shares as at the date of this announcement, have been successfully allotted and issued by the Company to the Share Subscriber at the Placing Price of HK\$6.80 per Placing Share under the Share Specific Mandate.

The estimated gross proceeds from the Share Placing are estimated to be approximately HK\$5,485,156,556 and the net proceeds from the Share Placing of the Placing Shares, after deduction of the related expenses, are estimated to be approximately HK\$5,481,000,000.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

For illustration purposes only, assuming there being no other change in the shareholding structure of the Company, the following table sets out the shareholding structure of the Company (i) immediately before the completion of the Share Placing and the CB Placing; (ii) immediately after the completion of the Share Placing and the CB Placing, assuming no conversion of the Convertible Bonds; and (iii) immediately after the completion of the Share Placing and the full conversion of the Convertible Bonds at the initial Conversion Price:

Shareholders	Immediately before the completion of the Share Placing and the CB Placing		Immediately after the completion of the Share Placing and the CB Placing, assuming no conversion of the Convertible Bonds		Immediately after the completion of the Share Placing and the full conversion of the Convertible Bonds at the initial Conversion Price	
	<i>No. of Shares</i>	<i>% of the issued share capital of the Company</i>	<i>No. of Shares</i>	<i>% of the issued share capital of the Company</i>	<i>No. of Shares</i>	<i>% of the issued share capital of the Company</i>
Hongqiao Holdings ⁽¹⁾	5,968,092,073	82.21	5,968,092,073	73.99	5,968,092,073	71.28
Mr. Zhang Bo ⁽²⁾	8,870,000	0.12	8,870,000	0.11	8,870,000	0.11
The Share Subscriber	–	–	806,640,670	10.00	806,640,670	9.63
Holder(s) of the Conversion Shares	–	–	–	–	306,713,725	3.66
Other public Shareholders	1,282,803,950	17.67	1,282,803,950	15.90	1,282,803,950	15.32
Total	<u>7,259,766,023</u>	<u>100.00</u>	<u>8,066,406,693</u>	<u>100.00</u>	<u>8,373,120,418</u>	<u>100.00</u>

Notes:

- (1) The entire issued share capital of Hongqiao Holdings is beneficially owned by Mr. Zhang Shiping and Mr. Zhang Shiping is deemed to be interested in the Shares held by Hongqiao Holdings. Ms. Zheng Shuliang, the spouse of Mr. Zhang Shiping, is deemed to be interested in all the Shares in which Mr. Zhang Shiping is interested.
- (2) Mr. Zhang Bo is the son of Mr. Zhang Shiping and Ms. Zheng Shuliang, and an executive Director.

Reference is made to the share repurchase mandate (“**Repurchase Mandate**”) granted by the Shareholders at the annual general meeting held on 31 August 2017. Based on the Company’s funding arrangements and the market condition, the Board would consider to exercise the Repurchase Mandate in accordance with the Listing Rules, as and when appropriate.

By order of the Board
China Hongqiao Group Limited
Zhang Shiping
Chairman

Shandong, the PRC
24 November 2017

As at the date of this announcement, the Board comprises eight Directors, namely Mr. Zhang Shiping, Ms. Zheng Shuliang and Mr. Zhang Bo as executive Directors, Mr. Yang Congsen and Mr. Zhang Jinglei as non-executive Directors, and Mr. Chen Yinghai, Mr. Xing Jian and Mr. Han Benwen as independent non-executive Directors.