

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



HUI SHENG INTERNATIONAL HOLDINGS LIMITED

惠生國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1340)

DISCLOSEABLE TRANSACTION

IN RELATION TO THE ACQUISITION OF A HOG BREEDING FARM

THE ACQUISITION

The Board is pleased to announce that the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Acquisition Agreement with the Vendor on 29 June 2015, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase all assets in the Target Breeding Farm. The consideration for the Acquisition is RMB54.0 million (equivalent to approximately HK\$67.5 million) and will be settled by cash within 10 working days after the date of the Acquisition Agreement.

As one or more of the applicable percentage ratios as referred to in Chapter 14 of the Listing Rules in relation to the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

THE ACQUISITION

The Board is pleased to announce that the Purchaser, an indirect wholly-owned subsidiary of the Company, entered into the Acquisition Agreement with the Vendor on 29 June 2015, pursuant to which the Vendor has agreed to sell and the Purchaser has agreed to purchase all assets in the Target Breeding Farm. Details of the Acquisition are as follows:

Date: 29 June 2015

Parties: (1) Taoyuan County Si Xi Breeding Limited (桃源縣四喜養殖有限責任公司), as the Vendor; and

- (2) Taoyuan County Huisheng Meat Products Company Limited (桃源縣惠生肉業有限公司), as the Purchaser

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties. As at the date of the Acquisition Agreement, the Vendor wholly and beneficially owned the Target Breeding Farm and the assets thereof.

Assets to be acquired

The assets to be acquired pursuant to the Acquisition Agreement are all assets in the Target Breeding Farm, including but not limited to: (i) the land use rights of the parcel of land located in Fengshu Xiang, Taoyuan County (桃源縣楓樹鄉), Hunan Province, where the Target Breeding Farm is situated at, with a total site area of approximately 107 mu (equivalent to approximately 71,333.69 square metres) and a term to be expired on 31 December 2031; (ii) pigsties with a total site area of approximately 19,000 square metres and office, dormitories, warehouses and other premises with a total site area of approximately 2,600 square metres; and (iii) all the properties, forestry, roads, machinery, equipment, facilities and other assets and valid licences of the Target Breeding Farm.

The Vendor will use his best endeavour to assist the Purchaser to apply for the changes of the titles to the relevant governmental certificates and licences of the Target Breeding Farm.

Consideration

The completion of the Acquisition is unconditional. The consideration for the Acquisition is RMB54.0 million (equivalent to approximately HK\$67.5 million), which will be settled by the Purchaser in cash within 10 working days after the date of the Acquisition Agreement.

The consideration for the Acquisition is on normal commercial terms and was arrived at after arm's length negotiations between the Purchaser and the Vendor, after taking into consideration of various factors, including but not limited to the location and size of the Target Breeding Farm, the state of properties, machinery, equipment and facilities therein as well as those factors stated in the section headed "Reasons for and benefits of the Acquisition" in this announcement, with reference to the market price of agricultural land proximate to the Target Breeding Farm. No information on the net profits (both after and before tax and extraordinary items) attributable to the assets to be acquired pursuant to the Acquisition Agreement for the past two financial years immediately preceding the Acquisition is available to the Company since the historical financial information of the Target Breeding Farm have not been prepared and presented on a standalone basis.

It is intended that the consideration for the Acquisition will be funded by the internal resources of

the Group.

INFORMATION ABOUT THE GROUP AND THE VENDOR

The Company is an investment holding company and through its subsidiaries, is principally engaged in the production and sale of pork products. The Group's operation mainly involves hog slaughtering as well as hog breeding and hog farming.

The Vendor is a company incorporated in the PRC with limited liability, which is principally engaged in hog breeding and hog farming. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The long term business development strategy of the Group is to enlarge the hog breeding and farming capacity. The Target Breeding Farm is currently equipped with ready-to-use machinery, equipment, facilities, pigsties and other properties, holds the required governmental certificates and licences and is readily available for operations, which can therefore bring forward the operational commencement date of the Group's new breeding farm. It will also save the time required for constructing a new breeding farm, and also reduces the uncertainties and risks that may arise therefrom.

The Directors are of the view that the Acquisition Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios as referred to in Chapter 14 of the Listing Rules in relation to the Acquisition are more than 5% but less than 25%, the Acquisition constitutes a discloseable transaction for the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“**Acquisition**” the acquisition of all assets of the Target Breeding Farm by the Purchaser pursuant to the Acquisition Agreement

“Acquisition Agreement”	the agreement dated 29 June 2015 and entered into between the Purchaser and the Vendor in relation to the Acquisition
“Board”	the board of Directors
“Company”	Huisheng International Holdings Limited (惠生國際控股有限公司), a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed and traded on the main board of the Stock Exchange
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) who is(are) independent of the Company and is(are) not connected person(s) (as defined under the Listing Rules) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Purchaser”	Taoyuan County Huisheng Meat Products Company Limited (桃源縣惠生肉業有限公司), a company established in the PRC with limited liability, being an indirect wholly-owned subsidiary of the Company
“Shareholder(s)”	holder(s) of the issued share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Breeding Farm”	the Tian He (田河) breeding farm located in Fengshu Xiang, Taoyuan County (桃源縣楓樹鄉), Hunan Province, being wholly-owned by the Vendor before completion of the Acquisition
“Vendor”	Taoyuan County Si Xi Breeding Limited (桃源縣四喜養殖有限責

任公司), a company incorporated in the PRC with limited liability, and is principally engaged in hog breeding and hog farming

“**HK\$**” Hong Kong dollars, the lawful currency of Hong Kong

“**RMB**” Renminbi, the lawful currency of the PRC

“**%**” per cent.

In this announcement:

- (1) amounts denominated in RMB have been translated into HK\$ at the rate of RMB1.00 = HK\$1.25 for illustration purpose only.*
- (2) the English names of PRC nationals, entities, facilities and localities are unofficial translation or transliteration from their Chinese names and are for identification purposes only; and*

By order of the Board
HUIHENG INTERNATIONAL HOLDINGS LIMITED
Ding Biyan
Chairman

Hong Kong, 29 June 2015

As at the date of this announcement, the Board comprises Mr. Ding Biyan, Mr. Yu Jishi, Mr. Ding Jingxi and Mr. Zhou Shigang as executive Directors; Mr. Zhang Zhizhong as non-executive Director; and Mr. Ma Yiu Ho, Peter, Mr. Deng Jinping and Mr. Liao Xiujian as independent non-executive Directors.