

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.



HUISHENG INTERNATIONAL HOLDINGS LIMITED

惠生國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1340)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO THE ANNUAL REPORT OF THE COMPANY FOR THE YEAR ENDED 31 DECEMBER 2016

Reference is made to the annual report for the year ended 31 December 2016 (the “**2016 Annual Report**”) of Huisheng International Holdings Limited (the “**Company**” and, together with its subsidiaries, the “**Group**”) published on 27 April 2017. Unless otherwise stated, capitalised terms used in this announcement shall have the same meanings as defined in the 2016 Annual Report.

The Company would like to provide the following additional information pursuant to paragraph 32 of Appendix 16 of the Rules Governing the Listing of Securities on the Main Board of Stock Exchange (the “**Listing Rules**”) in the 2016 Annual Report under the section of “Business Review” under “Chairman’s Statement” on page 3 of 2016 Annual Report:–

In relation to the issue of 289,490,000 rights Shares to the qualifying shareholders at a subscription price of HK\$0.50 per rights Share on the basis of one (1) rights Share for every two (2) existing Shares held on the record date, the gross proceeds and net proceeds from this Rights Issue (the “**Net Proceeds**”) were HK\$144.75 million and HK\$140.53 million respectively, and the actual use of proceeds as at 30 April 2017 is as follows:–

Net proceeds raised		Intended use of proceeds	Actual use of proceeds (Approximately)
HK\$87.82 million		For repayment of the borrowings of the Group	Fully used as intended
HK\$52.71 million	HK\$8.67 million	For payment of finance cost	HK\$2.16 million was used as intended. The remaining balance of fund raised HK\$6.51 million is not yet due for payment, in order to utilize the idle cash and seek for short term return in accordance to the treasury policy as adopted by the Company, the Group used HK\$4.91 million for acquiring listed securities.
	HK\$3.24 million	For payment of legal and professional fee	HK\$1.95 million was used as intended
	HK\$2.45 million	For payment of staff and related cost	HK\$0.74 million was used as intended
	HK\$0.82 million	For payment of rental and office expenses	HK\$0.26 million was used as intended
	HK\$2.40 million	For payment of other administrative expenses	HK\$0.92 million was used as intended
	HK\$35.13 million	For future business opportunities	Since the Group is still looking for future business opportunities and the fund raised is idle, in order to utilize the idle cash and seek for short term return in accordance to the treasury policy as adopted by the Company, the Group used HK\$35.13 million for acquiring listed securities.

The Company currently holds a portfolio of securities including four (4) which are securities listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and five (5) of which are listed on the Growth Enterprise Market (“**GEM**”) of the Stock Exchange. Among the securities acquired using the Net Proceeds as stated above, one (1) of them is listed on the Main Board of the Stock Exchange while three (3) of them are listed on the GEM of the Stock Exchange.

According to the each of the acquisitions of listed securities using the Net Proceeds (the “**Acquisitions of Listed Securities**”) as mentioned above, each of the applicable percentage ratio as defined in rule 14.04(9) of the Listing Rules is less than 5%. As such, the Acquisitions of Listed Securities do not constitute a notifiable transaction of the Company.

Meanwhile, the remaining balance of the Net Proceeds amounting HK\$6.64 million is kept in cash and cash equivalent as working capital.

As for the unutilized portion of the Net Proceeds, the Company expects and plans to start a new business of money lending to diversify its business risks in second half of 2017. The Company is still preparing for the said business and plans to utilize approximately HK\$35 million of the proceeds by gradually realizing the listed securities as mentioned above as the working capital of such business when the Company has started entering into loan agreements with clients.

The Company has been actively looking for business opportunities for the money lending business and expects to formally start the business within 2017.

The Company will also realize approximately HK\$4.91 million of the Net Proceeds when the finance cost payment is close to the due date.

For the remaining balance of the Net Proceeds, the Company expects it will be utilized as payment of operating expenses for the second half year of 2017.

The above addition information does not affect other information contained in the 2016 Annual Report and, save as disclosed above, all other information in the 2016 Annual Report remains unchanged.

By order of the Board
Huisheng International Holdings Limited
Chan Chi Ching
Executive Director

Hong Kong, 22 June 2017

As at the date of this announcement, the Board comprises Mr. Ding Biyan, Mr. Chan Chi Ching, Dr. Liu Ta-pei and Ms. Lam Ka Lee as executive Directors; and Mr. Ma Yiu Ho, Peter, Mr. Deng Jinping, Mr. Liao Xiujian and Mr. Wong King Shiu, Daniel as independent non-executive Directors.