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ORIENT VICTORY CHINA HOLDINGS LIMITED

東勝中國控股有限公司

(the “Company”)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 265)

PROPOSED SHARE SUBDIVISION AND PROPOSED CHANGE IN BOARD LOT SIZE

PROPOSED SHARE SUBDIVISION

The Board proposes that each of the issued and unissued Shares of par value of HK\$0.025 each in the share capital of the Company be subdivided into five (5) Subdivided Shares of par value of HK\$0.005 each. The Share Subdivision will become effective upon the fulfillment of the conditions set out in the section headed “Conditions of the Share Subdivision” below.

PROPOSED CHANGE IN BOARD LOT SIZE

The Board proposes that subject to and upon the Share Subdivision becoming effective, the board lot size will be changed from 5,000 Shares to 10,000 Subdivided Shares.

Other than the relevant expenses, including but not limited to professional fees and printing charges incurred, the implementation of the Share Subdivision and the Change in Board Lot Size will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the interests of the Shareholders. The Share Subdivision will not have any material adverse effect on the financial position of the Group.

GENERAL

An EGM will be convened and held to consider and, if thought fit, approve the Share Subdivision. A circular containing, amongst other things, further details of the Share Subdivision and the Change in Board Lot Size, together with a notice convening the EGM and related proxy form, is expected to be despatched to the Shareholders on or before 9 October 2015.

PROPOSED SHARE SUBDIVISION

The Board proposes that each of the issued and unissued Shares of par value of HK\$0.025 each in the share capital of the Company be subdivided into five (5) Subdivided Shares of par value of HK\$0.005 each.

Effect of the Share Subdivision

Upon the Share Subdivision becoming effective, the Subdivided Shares will rank pari passu with each other in all respects and the Share Subdivision will not be expected to result in any change in the relevant rights of the Shareholders.

As at the date of this announcement, the authorized share capital of the Company is HK\$100,000,000 divided into 4,000,000,000 Shares of par value of HK\$0.025 each, of which 1,823,401,376 Shares have been issued and are fully paid or credited as fully paid. As at the date of this announcement, the Company has no outstanding options, warrants, conversion rights or other similar rights giving rights to subscribe for any Shares. Upon the Share Subdivision becoming effective, the authorized share capital of the Company will become HK\$100,000,000 divided into 20,000,000,000 Subdivided Shares of par value of HK\$0.005 each, of which 9,117,006,880 Subdivided Shares will be in issue and fully paid or credited as fully paid, assuming that no further Shares are allotted, issued or repurchased prior to the Share Subdivision becoming effective.

The connected transaction relating to the investment agreement involving proposed issue of perpetual convertible securities as described in the circular of the Company dated 21 August 2015 was approved at the relevant extraordinary ordinary meeting of the Company held on 8 September 2015. Such perpetual convertible securities have not been issued as at the date of this announcement. However, the conversion price thereof may be subject to adjustment as a result of the Share Subdivision in accordance with the terms and conditions thereof and the Company will take such necessary actions and make such necessary disclosure as required.

Conditions of the Share Subdivision

The Share Subdivision is conditional upon the following:

- (i) the passing of an ordinary resolution by the Shareholders at the EGM to approve the Share Subdivision; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subdivided Shares.

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Subdivided Shares arising from the Share Subdivision.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Shares are traded on the Stock Exchange in board lot size of 5,000 Shares. The Board proposes that, subject to the Share Subdivision becoming effective, the board lot size will be changed from 5,000 Shares to 10,000 Subdivided Shares. The Change in Board Lot Size will not affect any of the relative rights of the Shareholders.

Based on the closing price of HK\$1.74 per Share (equivalent to HK\$0.348 per Subdivided Share) as at the date of this announcement, the value of each board lot of 10,000 Subdivided Shares, assuming the Share Subdivision and the Change in Board Lot Size had already become effective, would be HK\$3,480.

Arrangement on odd lots trading

In order to facilitate the trading of odd lots (if any) of the Subdivided Shares, the Company will appoint a matching agent to provide matching services, on a best effort basis, to those Shareholders who wish to top up or sell their holding of odd lots of the Subdivided Shares. Details of the odd lots trading arrangements will be stated in the circular to be despatched to the Shareholders which shall also contain, among other things, details of the Share Subdivision and the Change in Board Lot Size.

REASONS FOR THE SHARE SUBDIVISION AND CHANGE IN BOARD LOT SIZE

Upon the proposed Share Subdivision becoming effective, the par value of each Share will decrease and the total number of shares of the Company in issue will increase. The Share Subdivision will result in a downward adjustment to the trading price of the Shares. Based on the closing price of HK\$1.74 per Share as quoted on the Stock Exchange as at the date of this announcement, the market value per board lot of 5,000 Shares is HK\$8,700. The estimated market value per new board lot of 10,000 Subdivided Shares will theoretically be reduced to HK\$3,480 immediately upon the Share Subdivision and the Change in Board Lot Size becoming effective. The Board believes that the Share Subdivision and the Change in Board Lot Size thereafter will improve liquidity in the Subdivided Shares. The Board also considers that the proposed Change in Board Lot Size will maintain the trading value for each board lot at a reasonable level. Accordingly, the Board is of view that the Share Subdivision and the Change in Board Lot Size will enable the Company to attract more investors and broaden its shareholders' base.

Save for the expenses to be incurred by the Company in relation to the Share Subdivision and the Change in Board Lot Size, the implementation of the Share Subdivision and the Change in Board Lot Size will not alter the underlying assets, business operations, management or the financial position of the Company or the proportionate interest of the Shareholders. The Board considers that the Share Subdivision and the Change in Board Lot Size are in the interests of the Company and the Shareholders as a whole.

EXCHANGE OF SHARE CERTIFICATES

Subject to the Share Subdivision becoming effective, the Shareholders can submit their existing share certificates for the Shares to the Company's branch share registrar in Hong Kong, Union Registrars Limited, at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, in exchange for the new share certificates for the Subdivided Shares free of charge between 9:00 a.m. and 4:30 p.m. on any Business Day from Wednesday, 28 October 2015 to Friday, 4 December 2015 (both days inclusive). After the expiry of such period, existing share certificates for the Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each existing share certificate cancelled or each new share certificate issued (whichever number of share certificates involved is higher).

The existing share certificates for the Shares will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on Tuesday, 1 December 2015 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates for the Shares will continue to be good evidence of legal title and may be exchanged for share certificates for Subdivided Shares.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Subdivision and Change in Board Lot Size and the associated trading arrangements is set out below:

2015

Despatch of Circular, proxy form and
notice of EGM. Friday, 9 October

Latest time for return of proxy form
of EGM (not less than 48 hours prior
to the time of holding EGM) 11:00 a.m. Sunday, 25 October

Expected date and time of EGM 11:00 a.m. Tuesday, 27 October

Announcement of poll results of EGM Tuesday, 27 October

The following events are conditional on the fulfillment of the conditions for the implementation of the Share Subdivision as set out in the section headed “Conditions of the Share Subdivision” above and the Subscription Completion as defined under the circular of the Company dated 21 August 2015 in relation to, among other things, subscription of new shares under specific mandate.

Expected effective date of the Share
Subdivision Wednesday, 28 October

Commencement of dealing in the
Subdivided Shares 9:00 a.m. Wednesday, 28 October

Original counter for trading in the
Shares in existing share certificates
in board lots of 5,000 Shares
temporarily closes 9:00 a.m. Wednesday, 28 October

Temporary counter for trading in the
Subdivided Shares in board lots of
25,000 Subdivided Shares (in the
form of existing share
certificates) opens 9:00 a.m. Wednesday, 28 October

First day of free exchange of existing
share certificates for new share
certificates for the Subdivided Shares Wednesday, 28 October

Original counter for trading
in the Subdivided Shares in board lots of
10,000 Subdivided Shares (only new
certificates for the Subdivided Shares
can be traded at the counter) re-opens 9:00 a.m. Wednesday, 11 November

Parallel trading in the Subdivided Shares
(in the forms of both existing certificates
and new certificates) commences. 9:00 a.m. Wednesday, 11 November

Designated agent starts to stand
in the market to provide matching
services for the sale and purchase of
odd lots of Subdivided Shares 9:00 a.m. Wednesday, 11 November

Temporary counter for trading
in the Subdivided Shares in board
lots of 25,000 Subdivided Shares
(in the form of existing share
certificates) closes. 4:00 p.m. Tuesday, 1 December

Parallel trading in the Subdivided Shares
(in the forms of new share certificates
and existing share certificates) ends 4:00 p.m. Tuesday, 1 December

Designated agent ceases to stand in
the market to provide matching
services for the sale and purchase of
odd lots of Subdivided Shares 4:00 p.m. Tuesday, 1 December

Free exchange of existing share
certificates for new share certificates
for Subdivided Shares ends Friday, 4 December

All time and dates in this announcement refer to Hong Kong local times and dates unless otherwise stated. The expected timetable for the Share Subdivision and the Change on Board Lot Size set out above is indicative only and may be extended or varied. Any changes to the expected timetable for the Share Subdivision and the Change on Board Lot Size will be announced by the Company as appropriate.

GENERAL

A circular containing details of, amongst other things, (i) the Share Subdivision, (ii) the Change in Board Lot Size; and (iii) a notice convening the EGM and related proxy form is expected to be despatched to the Shareholders on or before Friday, 9 October 2015.

DEFINITIONS

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday and Sunday) on which banks are generally open for business more than five hours in Hong Kong
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 5,000 Shares to 10,000 Subdivided Shares

“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Share Subdivision
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Share(s)”	ordinary share(s) of HK\$0.025 each in the issued and unissued share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Share Subdivision”	the proposed subdivision of every issued and unissued Share of par value of HK\$0.025 each into five (5) Subdivided Shares of par value of HK\$0.005 each
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	ordinary share(s) of par value of HK\$0.005 each in the share capital of the Company upon completion of the Share Subdivision
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong

For and on behalf of
Orient Victory China Holdings Limited
Ip Pui Sum
Company Secretary

Hong Kong, 21 September 2015

As at the date of this announcement, the Board of the Company comprises three executive Directors, being Mr. Shi Baodong, Mr. Wang Jianhua and Ms. Xu Yongmei, one non-executive Director, being Mr. Li Yankuan, and three independent non-executive Directors, being Mr. Dong Xiaojie, Mr. He Qi and Mr. Law Wang Chak, Waltery.