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EAGLE RIDE INVESTMENT HOLDINGS LIMITED
鷹力投資控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 901)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



FIRST SHANGHAI SECURITIES LIMITED

THE PLACING UNDER GENERAL MANDATE

After trading hours on 7 July 2017, the Company and the Placing Agent entered into the Placing Agreement pursuant to which the Company has conditionally appointed the Placing Agent to procure, on a best effort basis, as placing agent of the Company, independent Placees to subscribe for a maximum of 323,600,000 Placing Shares at a price of HK\$0.25 per Placing Share. The Placees and (where appropriate) their respective ultimate beneficial owner(s) shall be Independent Third Parties. The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM held on 2 June 2017.

The maximum number of 323,600,000 Placing Shares represent (i) approximately 20% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the existing issued share capital of the Company as enlarged by the Placing (assuming the maximum number of Placing Shares are placed).

Assuming the maximum number of the Placing Shares are placed, the gross proceeds from the Placing will be HK\$80.9 million and the net proceeds will be approximately HK\$79.2 million (after deduction of commission and other expenses of the Placing). It is expected that the entire net proceeds from the Placing will be utilised for general working capital and/or investment of the Group as and when opportunities arise.

The Placing Price represents (i) a discount of approximately 19.36% to the closing price of HK\$0.310 per Share as quoted on the Stock Exchange on 7 July 2017, being the date of the Placing Agreement; and (ii) a discount of approximately 18.04% to the average closing price of approximately HK\$0.305 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the date of the Placing Agreement.

No additional Shareholders' approval is necessary for the Placing as the Placing Shares will be issued under the General Mandate.

Since completion of the Placing is subject to the fulfilment of the condition(s) as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date:

7 July 2017 (after trading hours)

Issuer:

The Company

Placing Agent:

First Shanghai Securities Limited

The Placing Agent has conditionally agreed to procure, on a best effort basis, as placing agent of the Company, independent Placees to subscribe for a maximum of 323,600,000 Placing Shares. The Placing Agent will receive a placing commission of 2% of the aggregate Placing Price for the Placing Shares successfully placed by the Placing Agent. Such placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent under normal commercial terms and with reference to the prevailing market condition.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.

Placees:

The Placing Agent will, on a best effort basis, place the Placing Shares to Placees who and whose ultimate beneficial owners (where appropriate) shall be Independent Third Parties. It is currently expected that the Placing Shares will be placed to not less than six Placees. The Placing Agent will use its best endeavour to ensure none of the Placees would, immediately upon completion of the Placing, become a substantial shareholder (within the meaning of the Listing Rules) of the Company.

Placing Price:

The Placing Price of HK\$0.25 per Placing Share represents (i) a discount of approximately 19.36% to the closing price of HK\$0.310 per Share as quoted on the Stock Exchange on 7 July 2017, being the date of the Placing Agreement; and (ii) a discount of approximately 18.04% to the average closing price of approximately HK\$0.305 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the date of the Placing Agreement.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to, among other matters, the prevailing market prices of the Shares.

The Directors consider that the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Assuming the maximum number of the Placing Shares are placed, the gross proceeds from the Placing will be HK\$80.9 million and the net proceeds will be approximately HK\$79.2 million (after deduction of commission and other expenses of the Placing). On such basis, the net issue price will be approximately HK\$0.245 per Placing Share.

Placing Shares:

The maximum number of 323,600,000 Placing Shares represent (i) approximately 20% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the existing issued share capital of the Company as enlarged by the Placing (assuming the maximum number of Placing Shares are placed).

Ranking of the Placing Shares:

The Placing Shares will rank, upon issue and fully paid, *pari passu* in all respects with the Shares in issue as at the date of allotment and issue of the Placing Shares.

Condition of the Placing:

Completion of the Placing is conditional upon (i) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of, and permission to deal in, all of the Placing Shares; and (ii) the obligations of the Placing Agent under the Placing Agreement becoming unconditional and not being terminated in accordance with the terms of the Placing Agreement, including provisions regarding force majeure events.

Completion:

Completion of the Placing shall take place on the third Business Day after the fulfilment of the above condition or on such other date as the Company and the Placing Agent may agree in writing (the “**Completion Date**”).

If the said conditions to the completion of the Placing are not satisfied and/or waived (other than condition (i) above, which cannot be waived) in whole or in part by the Placing Agent on or before 31 July 2017 or such later date to be agreed between the Company and the Placing Agent in writing, the Placing will be terminated and the Placing will not proceed and all obligations and liabilities of the parties under the Placing Agreement will forthwith cease and determine and no party will have any claim against the others (save for any antecedent breaches thereof).

Mandate to allot and issue the Placing Shares:

The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM held on 2 June 2017. Under the General Mandate, the Company is authorised to issue up to 323,611,756 Shares until the revocation, variation or expiration of the General Mandate. The Company has not exercised the power to allot and issue any new Shares pursuant to the General Mandate prior to the date of the Placing Agreement.

The allotment and issue of the Placing Shares are not subject to any additional Shareholders' approval.

Termination and force majeure:

The Placing Agent reserves its right to terminate the Placing Agreement by notice in writing given to the Company at any time prior to 10 a.m. on the Completion Date if any of the following occurs:

- (A) there shall have come to the notice of the Placing Agent any material breach of, or any event rendering untrue or incorrect in any material respect; or any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this announcement, constitute a material omission therefrom; or any of the representations and warranties of the Company contained herein becomes untrue or incorrect in any material respect or any failure by the Company to perform its undertakings in the Placing Agreement; any of the undertakings, warranties and representations set out in the Placing Agreement would not be true or correct in any material respect if given at that time; or any material breach of any of the obligations imposed upon any party to the Placing Agreement (other than the Placing Agent); or any material adverse change in the business or in the financial or trading position of any member of the Group taken as a whole which is material in the context of the Placing.

(B) there develops, occurs or comes into effect:

- (i) any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement), including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic, fiscal, financial, regulatory or stock market conditions in the People's Republic of China (including Hong Kong) and which in the reasonable opinion of the Placing Agent would materially prejudice the success of the Placing or trading of the Shares in the market;
- (ii) any new law, rule or regulation or any change in existing laws (including common law), rules or regulations (or the juridical interpretation thereof) or other occurrence of any nature whatsoever which, in the reasonable opinion of the Placing Agent is or may be materially adverse to the business or financial position or prospects of the Company or any other member of the Group taken as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Placing;
- (iii) any event or circumstance (whether or not forming part of a series of events or circumstances occurring or continuing before, on and/or after the date of the Placing Agreement) or material change or deterioration in local, national, international, political, military, financial, economic, market or trading conditions or any other conditions (whether or not ejusdem generis with any of the foregoing) in any part of the world in which the Company or any other member of the Group carries on business which, in the reasonable opinion of the Placing Agent is or may be materially adverse to the business or financial position or prospects of the Company or any other member of the Group taken as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Placing; or
- (iv) a change or development involving a prospective change of taxation or exchange control (or the implementation of exchange control) in Hong Kong or the People's Republic of China or elsewhere which will materially and adversely affect the business or the financial or trading position of the Group as a whole or which would, in the reasonable opinion of the Placing Agent, materially prejudice the success of the Placing; or

- (v) the instigation of any litigation or claim of material importance by any third party against any member of the Group, which has or may have a material adverse effect on the business or financial prospects of the Group and which in the reasonable opinion of the Placing Agent would materially prejudice the success of the Placing;

Upon giving of notice pursuant to the paragraph above, all obligations of the Placing Agent under the Placing Agreement shall cease and determine and no party shall have any claim against any other parties in respect of any matter or thing arising out of or in connection with the Placing Agreement, save for any antecedent breaches.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in investment holdings and trading of financial assets at fair value through profit or loss.

As disclosed above, the maximum net proceeds from the Placing are estimated to be approximately HK\$79.2 million.

Upon completion of the Placing, it is expected that the entire net proceeds from the Placing will be utilised for general working capital and/or investment of the Group as and when opportunities arise. The Directors consider that the Placing is an appropriate means of raising additional working capital for the Company while broadening the Shareholder and capital base of the Company.

FUND RAISING ACTIVITY DURING THE PAST 12 MONTHS

The Company has conducted the following equity fund raising activities for the 12 months immediately before the date of this announcement.

Date of announcement	Fund raising activity	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds
26 August 2016	Placing of new shares under general mandate	HK\$29 million	General working capital of the Group	General working capital of the Group

EFFECT OF THE PLACING ON SHAREHOLDING

The shareholdings in the Company as at the date of this announcement and immediately after completion of the Placing (assuming the maximum number of Placing Shares are placed and there is no change in the share capital of the Company) are set out as follows:

Shareholders	As at the date of this announcement		Immediately after the completion of the Placing	
	<i>No. of Shares</i>	<i>Approximate %</i>	<i>No. of Shares</i>	<i>Approximate %</i>
Substantial Shareholder				
Eagle Ride Investments Limited (<i>note</i>)	966,638,573	59.74%	966,638,573	49.78%
Placees			323,600,000	16.67%
Public Shareholders	<u>651,420,211</u>	<u>40.26%</u>	<u>651,420,211</u>	<u>33.55%</u>
Total	<u><u>1,618,058,784</u></u>	<u><u>100.00%</u></u>	<u><u>1,941,658,784</u></u>	<u><u>100.00%</u></u>

Note: Eagle Ride Investments Limited, a company incorporated in the British Virgin Islands with limited liability and wholly-owned by APAC Investment Holdings Limited, a company incorporated in Samoa and beneficially owned as to approximately 94.19% by Mr. HU Haisong (“**Mr. Hu**”), the Non-executive Director of the Company, and approximately 5.81% by other investors (“**Investors**”) (whose interests are held on trust by Mr. Hu). The Investors, namely (i) Mr. WANG Haibin, a resident of the People’s Republic of China (the “**PRC**”) and engages in investment business in the PRC; and (ii) RB International Investments Asia Limited is principally engaged in financial services.

GENERAL

The Placing Shares will be issued under the General Mandate and therefore the Placing will not be subject to any Shareholders’ approval. Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

Since completion of the Placing is subject to the fulfilment of the condition(s) as set out in the Placing Agreement, the Placing may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

DEFINITIONS

Unless the context otherwise requires, the following terms in this announcement shall have the meanings set out below:

“acting in concert”	has the same meaning ascribed to it in the Hong Kong Code on Takeovers and Mergers
“AGM”	the annual general meeting of the Company held on 2 June 2017 at which, among other things, the General Mandate was granted to the Directors
“associate(s)”	the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturdays and Sundays and public holidays) on which licensed banks are generally open for business in Hong Kong
“Company”	Eagle Ride Investment Holdings Limited, a company incorporated in the Cayman Island with limited liability, the Shares of which are listed on the Stock Exchange (Stock Code: 901)
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the AGM to allot, issue or deal up to 20% of then issued share capital of the Company as at the date of AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Parties”	third parties independent of the Company and not connected nor acting in concert (as defined in the Hong Kong Code on Takeovers and Mergers) with any directors, chief executive or substantial Shareholder(s) of the Company or its subsidiaries and their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placees”	any professional, institutional or other investor(s) or any of their respective subsidiaries or associates procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agent’s obligations under the Placing Agreement
“Placing”	the placing of up to 323,600,000 Placing Shares on a best efforts basis pursuant to the terms of the Placing Agreement
“Placing Agent”	First Shanghai Securities Limited, a licensed corporation to carry out business in type 1 regulated activity (dealing in securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 7 July 2017 in relation to the Placing under the General Mandate
“Placing Price”	HK\$0.25 per Placing Share
“Placing Shares”	up to 323,600,000 new Shares to be placed pursuant to the Placing Agreement

“Share(s)”	ordinary share(s) of HK\$0.0125 each in the issued share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By Order of the Board
Eagle Ride Investment Holdings Limited
 鷹力投資控股有限公司
Tung Shu Sun
Chairman

Hong Kong, 7 July 2017

As at the date of this announcement, the Board comprises six Directors. The executive Director is Mr. Chan Yiu Pun, Clement; the non-executive Directors are Mr. Hu Haisong and Mr. Tung Shu Sun; and the independent non-executive Directors are Mr. Gui Shengyue, Mr. Wang Xianzhang and Mr. Vichai Phaisalakani.