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**BEAUTIFUL CHINA HOLDINGS COMPANY LIMITED**  
**美麗中國控股有限公司**

*(incorporated in Bermuda with limited liability)*

(Stock Code: 706)

**EXTENSION OF THE MATURITY DATE  
OF THE CONVERTIBLE BONDS**

Reference is made to the Company's announcements dated 17 March 2015 and 9 April 2015 in relation to the issue of the Convertible Bonds. As at the date of this announcement, Convertible Bonds in the principal amount of HK\$13,000,000 remain outstanding.

The existing principal terms and conditions of the Convertible Bonds are summarised below for ease of reference:

- Principal amount: As disclosed in the Company's announcement of 9 April 2015, Convertible Bonds in the principal amount of HK\$152,000,000 have been placed.
- Maturity Date: The Convertible Bonds will mature on the day being the last day of the twelfth month of the date of issue of the Convertible Bonds, the Maturity Date can be extended by the Bondholder(s) to a further 12 months. In the event that the Bondholder(s) intends to extend the Maturity Date, the Bondholder(s) shall give notice in writing directly to the Company at least 20 Business Days before the last day of the twelfth month of the date of issue of the Convertible Bonds.
- Interest: 5% per annum and payment to be payable by the Company on:
- (i) the day being the last day of the twelfth month of the date of issue of the Convertible Bonds (total of one interest payment), if the Bondholder(s) does not renew the Convertible Bonds for another 12 months; or

- (ii) the day being the last day of the twelfth month and the twenty-fourth month of the date of issue of the Convertible Bonds (total of two interest payments), if the Bondholder(s) renews the Convertible Bonds for another 12 months.

In the event that the Bondholder has converted part of or whole of the principal amount of the Convertible Bonds during the Conversion Period, the Bondholder shall not be entitled to any interest in respect of such part or whole.

Initial Conversion Price: HK\$0.20 per Conversion Share, subject to the adjustments upon the occurrence of, among others, subdivision or consolidation of Shares, capital distribution, capitalisation of profits or reserves and rights issue.

Conversion Period: The period commencing on the date of issue of the Convertible Bonds and up to and including the Maturity Date.

Conversion rights: The Bondholder may at any time during the Conversion Period require the Company to convert the whole or any part of the principal amount outstanding (in minimum amount of HK\$4,000,000 or whole multiple thereof) under the Convertible Bond into Shares.

Conversion restrictions: No conversion rights attaching to the Convertible Bonds shall be exercised if upon exercise of the conversion rights attaching to the Convertible Bond,

- (i) the Bondholders and their respective associates, together with parties acting in concert (as defined in the Takeovers Code) with them, will trigger a mandatory offer obligation under Rule 26 of the Takeovers Code;
- (ii) the Company will not be unable to meet the public float requirements under the Listing Rules;
- (iii) the Bondholders and their respective associates will become the substantial Shareholders of the Company (as defined in the Listing Rules); or

(iv) no conversion rights may be exercised by any person who is a restricted holder (where a Bondholder who is a resident or national of any jurisdiction other than Hong Kong under the laws and regulations of which an exercise of the conversion rights by such holder or the performance by the Company of the obligations expressed to be assumed by it under the conditions or the allotment and issue and holding of the Conversion Shares cannot be carried out lawfully or cannot be carried out lawfully without the Company first having to take certain actions in such jurisdiction.), and the exercise of any conversion rights by the Bondholder shall constitute a confirmation, representation and warranty by it to the Company that it is not a restricted holder and that all necessary governmental, regulatory or other consents or approvals and all formalities have been obtained and observed by it to enable it to exercise legally and validly the relevant conversion rights, to hold the Conversion Shares allotted and issued upon exercise of the conversion rights, and the Company to legally and validly allot and issue the Conversion Shares.

Redemption:

The Convertible Bonds shall not be redeemed (in whole or in part) at the option of the Company prior to the Maturity Date.

Any principal amount of the Convertible Bonds which has not been converted in accordance with the terms and conditions of the Convertible Bond instrument by the Maturity Date shall be redeemed by the Company on the Maturity Date at a redemption amount equal to 100% of the principal amount of the outstanding Convertible Bonds and the interest accrued thereon.

Ranking:

Conversion Shares issued upon exercise of conversion rights attaching to the Convertible Bonds shall rank *pari passu* in all respects with all other existing Shares outstanding at the date of the Conversion Notice and all Conversion Shares shall include rights to participate in all dividends and other distributions the record date of which falls on or after the date of the Conversion Notice.

Transferability: The Convertible Bonds are assignable and transferable provided that any assignment or transfer of the Convertible Bonds must be made with the prior written consent of the Board and (if required) of the Stock Exchange and subject to the applicable laws and regulations, and the Listing Rules, provided that no Convertible Bond shall be transferred to a connected person of the Company or any associate of connected persons of the Company.

## **EXTENSION OF THE MATURITY DATE**

Pursuant to the terms of the Convertible Bonds, on 8 April 2016, the Bondholders elected to and the Board resolved to extend the Maturity Date of the Convertible Bonds by one year, from 8 April 2016 to 8 April 2017, to effect the Extension. No other terms and conditions of the Convertible Bonds have been amended.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the registered Bondholders (as shown on the Company's register of holders of the Convertible Bonds) and the beneficial Bondholder(s) are third parties independent of and not connected with the Company and its connected persons.

No application will be made to the Stock Exchange for approval of the Extension in accordance with Rule 28.05 of the Listing Rules as the Extension does not involve an alternation of the existing terms of the Convertible Bonds.

## **REASONS FOR THE EXTENSION OF MATURITY DATE**

The maturity date of the Convertible Bonds will be 8 April 2016 unless extended, whereby the Company would be required to redeem the outstanding principal amount of the Convertible Bonds at 100% of the principal amount and interest accrued thereon. The Extension effectively allows the Group to refinance its debts under the Convertible Bonds under the same terms (except there is no rights to further extension) for another one year. In addition, the Extension will provide flexibility to the Group's deployment of its financial resources to fund its operation and development as well as to plan its working capital requirements. In the absence of the Extension, the Company will need to deploy its cash reserves for the redemption of the Convertible Bonds on maturity. Accordingly, the Directors consider that the Extension is in the interests of the Company and its Shareholders as a whole.

## **GENERAL**

The Company is an investment holding company. Its subsidiaries are principally engaged in provision of ATMs services and eco-environmental construction services.

## DEFINITIONS

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

“Board”	the board of Directors
“Bondholder(s)”	a holder(s) of a Convertible Bond and in whose name such Convertible Bond is for the time being registered in the register of bondholders kept by the Company
“Business Day(s)”	day (excluding Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are open for business
“Company”	Beautiful China Holdings Company Limited (美麗中國控股有限公司), a company incorporated in Bermuda with limited liability, and the Shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules and the word “connected” shall be construed accordingly
“Conversion Period”	the period commencing from the date of issue of the Convertible Bonds and ending on the Maturity Date
“Conversion Share(s)”	the new Share(s) to be allotted and issued by the Company upon exercise of the conversion rights attaching to the Convertible Bonds
“Convertible Bonds”	the convertible bonds in aggregate principal amount of HK\$152,000,000 issued by the Company to the Bondholder(s) on 9 April 2015 whereby the maturity date falls on 8 April 2016, in which the principal amount of HK\$13,000,000 remain outstanding as at the date of this announcement
“Director(s)”	the director(s) of the Company
“Extension”	the extension of the Maturity Date of the Convertible Bonds for a period of one year from 8 April 2016 to 8 April 2017 pursuant to the terms of the Convertible Bonds
“Group”	collectively, the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Initial Conversion Price”	the initial conversion price of the Convertible Bonds, being HK\$0.20 (subject to the adjustments)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maturity Date”	the date on which the Convertible Bonds become due
“Share(s)”	ordinary share(s) of HK\$0.10 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board  
**Beautiful China Holdings Company Limited**  
**Tan Shu Jiang**  
*Executive Director*

Hong Kong, 8 April 2016

*As at the date of this announcement, the Board comprises Mr. Sze Wai Marco, Mr. Zhou Wei Feng, Mr. Tan Shu Jiang and Mr. Pan Tingxuan as executive Directors, Mr. Law Fei Shing as non-executive Director, and Mr. Lum Pak Sum, Mr. Chong Yiu Kan, Sherman and Mr. Liu Liyang as independent non-executive Directors.*