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SINO HAIJING HOLDINGS LIMITED

中國海景控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01106)

MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE PROPOSED FORMATION OF A JOINT VENTURE

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Board**”) of Sino Haijing Holdings Limited (the “**Company**”) is pleased to announce that on 11 November 2016 (after trading hours), the Company and JAA Capital entered into the non-legally binding MOU in relation to the Proposed Formation of the Joint Venture.

THE MOU

The principal terms of the MOU are set out below:

Date: 11 November 2016

Parties: (a) the Company; and

(b) JAA Capital.

- (i) It is proposed that the Joint Venture will be incorporated under the laws of Hong Kong;
- (ii) JAA Capital is entitled to acquire 49% equity of Jet Asia Airways Co., Limited (“**JAA**”), a company established under the laws of Thailand (“**JAA Equity**”), and JAA Capital also has the right to purchase 6 Boeing 767 aircrafts, 7 JT9D-7R4D aircraft engines and 4 RB2100524H-T36 aircraft engines (“**JAA Assets**”); and
- (iii) JAA Capital will inject JAA Equity and JAA Assets, while the Company will invest US\$37,460,000 (approximately HK\$290,689,600) as the capital of the Joint Venture. Upon the completion of its establishment, the Joint Venture will be owned as to 51% and 49% by the Company and JAA Capital respectively.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, JAA Capital is a third party independent from the Company and its Connected Persons (as defined in the Listing Rules).

INFORMATION ABOUT JAA AND JAA CAPITAL

JAA commenced operations in 2010 from Bangkok-Suvarnabhumi Airport Thailand, by obtaining an Air Operator Certificate from the Department of Civil Aviation of Thailand to offer air charter services for Africa, China, Japan, Korea, and the Middle East.

JAA Capital is a company established in Hong Kong with limited liability, the principal business of which is investment holding.

RIGHT OF EXCLUSIVE NEGOTIATION

Pursuant to the MOU, except for the financial advisors approached, JAA Capital will not seek, solicit or negotiate with any third party regarding the Formation of the Joint Venture within the period of 60 days from the date of the MOU or such other date as may be agreed in writing by the parties. The Exclusive Period may be extended to 31 January 2017 in case the Company issues a stamped written reply to confirm that it is willing to jointly form the Joint Venture and that it is capable to provide relevant proofs of funds.

If JAA Capital and the Company fail to enter into the Formal Agreement before 60 days from the date of the MOU or such later date as may be agreed by JAA Capital and the Company, the MOU shall be terminated with immediate effect without prejudicing any accrued right and liability of any party to the MOU.

LEGAL EFFECT

Save for the provisions in relation to confidentiality, right of exclusive negotiation, due diligence, governing laws and other terms under the MOU, the MOU has no legal binding effect and, save as provided, no legal obligation or liability shall be assumed by JAA Capital and the Company unless and until the execution of the Formal Agreement.

REASONS FOR THE ENTERING OF THE MOU

The Company is a company incorporated in the Cayman Islands and listed on the Main Board of the Hong Kong Stock Exchange. The principal businesses of the Group include the manufacturing and sale of packaging products, securities trading and other investing activities, ticketing agency business and money lending business. The Company is pursuing opportunities to diversify its sources of income so as to improve the Group's financial status in the long term. Based on the information made available to the Directors, the Joint Venture will hold JAA Equity and JAA Assets and will develop aviation business with Thailand as its base. The Proposed Formation of the Joint Venture will enable (i) the development of the Group's aviation business in Asia region; (ii) the creation of synergies with the ticketing agency business of the Group; and (iii) the enhancement of the competitiveness of the Group in the aviation industry in Asia, in particular the South East Asia region, which the Board considers would be beneficial to and in the interests of the Company and the Shareholders as a whole.

GENERAL

Save for the provisions in relation to the earnest money, confidentiality, right of exclusive negotiation, due diligence, termination, binding effect and governing law under the MOU, the MOU has no legal binding effect. If the Company proceeds with the Proposed Formation of the Joint Venture, it (or its subsidiaries) will enter into legally binding agreement(s) with JAA Capital in respect of the Proposed Formation of the Joint Venture.

The Proposed Formation of the Joint Venture may or may not proceed. Shareholders and investors are reminded to exercise caution when dealing in the Shares. The Proposed Formation of the Joint Venture, if materialises, may constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. Should (i) the Company (or its subsidiaries) enters into the Formal Agreement; (ii) decides not to proceed with the transactions contemplated under the MOU or (iii) there be any material development on the Proposed Formation of the Joint Venture, the Company will inform the Shareholders and investors by way of announcement(s) in accordance with the Listing Rules as and when appropriate.

DEFINITIONS

“Board”	the board of Directors
“Company”	Sino Haijing Holdings Limited, a company incorporated in Cayman Islands with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Connected Persons”	has the meaning as ascribed under the Listing Rules
“Directors”	the directors of the Company
“Exclusive Period”	a term of 60 days from the date of the MOU
“Formal Agreement”	the formal sale and purchase agreement to be entered into between the Company (or its subsidiaries) and JAA Capital in respect of the Proposed Formation of the Joint Venture, which contains, among others, the terms of the MOU
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administration Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MOU”	the memorandum of understanding dated 11 November 2016 entered into between the Company and JAA Capital in relation to the Proposed Formation of the Joint Venture
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Proposed Formation of the Joint Venture”	the proposed formation of the joint venture by the Company and JAA Capital or their respective designated parties

“US\$”	United States dollars, the lawful currency of the United States of America
“Share(s)”	the ordinary share(s) of HK\$0.0125 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Joint Venture”	a company with limited liability proposed to be formed by the Company and JAA Capital or their respective designated parties in Hong Kong
“JAA Capital”	JAA Capital Limited*, a company incorporated in Hong Kong with limited liability
“%”	per cent

In this announcement, amounts denominated in US\$ have been converted into HK\$ at the exchange rate of US\$1 to HK\$7.76, for illustration purpose only. Such translations should not be interpreted as a representation that the amounts have been, could have been or could be, converted at any particular rate at all.

By Order of the Board
Sino Haijing Holdings Limited
Li Zhenzhen
Chairman

Hong Kong, 11 November 2016

As at the date of this announcement, the Board comprises of Ms. Li Zhenzhen, Mr. Lam Chi Keung, Mr. Lam Wai Hung, Ms. Hu Jianping, Mr. Wang Xin and Mr. Wei Liyi as executive Directors; Mr. Pang Hong, Mr. Lee Tao Wai and Mr. Lam Hoi Lun as the independent non-executive Directors.

* *For identification purpose*