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CHINA FIRST CHEMICAL HOLDINGS LIMITED

一化控股(中國)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2121)

**ISSUE OF
GUARANTEED NOTE IN THE
PRINCIPAL AMOUNT OF US\$15,000,000;
AND
GUARANTEED CONVERTIBLE BOND IN THE PRINCIPAL
AMOUNT OF US\$15,000,000**

ISSUE OF CONVERTIBLE BOND AND NOTE

The Board is pleased to announce that, on 25 July 2016 (after trading hours), the Company as issuer entered into the Subscription Agreement with the Initial Investor as subscriber, and with Mr. Liem Djiang Hwa as the individual guarantor and China First Chemical Limited as the corporate guarantor, pursuant to which the Company conditionally agreed to issue the Convertible Bond and the Note, each in the principal amount of US\$15,000,000, to the Initial Investor. The net proceeds from the Subscriptions will be used by the Company to finance the general investments and working capital funding requirements.

In relation to the Convertible Bond and the Note, Mr. Liem and China First Chemical Limited agreed to irrevocably and unconditionally guarantee the punctual performance by the Company of all of its obligation under the Finance Documents.

As at the date of this announcement, the Company has a total of 802,191,000 Issuer Shares. 30% of the Convertible Bonds in the amount of US\$4,500,000 is at the price of HK\$1.9205 and 70% of the Convertible Bonds in the amount of US\$10,500,000 is at the price of HK\$2.1949. Based on the foreign exchange rate on the date of purchase of such Note and Convertible Bonds, assuming full conversion of the Convertible Bonds at the Conversion Price of HK\$1.9205 for 30% of the principal amount of the Convertible Bonds and HK\$2.1949 for 70% of the principal amount of the Convertible Bonds, the Convertible Bonds will be convertible into 55,283,840 Conversion Shares, representing approximately 6.89% of the Company's existing issued share capital and approximately 6.45% of the Company's issued share capital as enlarged by the allotment and issue of the Convertible Shares.

GENERAL

The obligation of the Initial Investor to subscribe and pay for the CB Consideration Amount is conditional on, among others, the Listing Committee of the Stock Exchange having granted its approval regarding the listing of, and a permission to deal in, all the possible Conversion Shares. The Conversion Shares will be issued and allotted under the General Mandate granted to the Directors by the Shareholders.

No application will be made for the listing of any of the Note or the Convertible Bond on the Stock Exchange or any other stock exchange.

Shareholders and potential investors should note that the Subscription is subject to conditions and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Issuer Shares.

THE SUBSCRIPTION AGREEMENT

The Board is pleased to announce that, on 25 July 2016 (after trading hours), the Company as issuer entered into the Subscription Agreement with the Initial Investor as subscriber, and with Mr. Liem Djiang Hwa as the individual guarantor and China First Chemical Limited as the corporate guarantor, pursuant to which the Company conditionally agreed to issue the Convertible Bond and the Note, each in the principal amount of US\$15,000,000, to the Initial Investor. The Conversion Shares will be allotted and issued under the General Mandate.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Initial Investor and their respective associates and ultimate beneficial owners are Independent Third Parties.

Assuming full conversion of the Convertible Bonds at the Conversion Price of HK\$1.9205 for 30% of the principal amount of the Convertible Bonds and HK\$2.1949 for 70% of the principal amount of the Convertible Bonds, the Convertible Bonds will be convertible into 55,283,840 Conversion Shares, representing approximately 6.89% of the Company's existing issued share capital and approximately 6.45% of the Company's issued share capital as enlarged by the allotment and issue of the Conversion Shares. It is not expected that the

Initial Investor or any of its associates or ultimate beneficial owners will become a Substantial Shareholder as a result of the full Conversion of the Convertible Bonds subscribed by it.

THE PRINCIPLE TERMS OF THE SUBSCRIPTION AGREEMENT

- Date: 25 July 2016
- Issuer: the Company
- Subscriber: The Initial Investor
- Issue of the Note and the Convertible Bond: Pursuant to the Subscription Agreement, the Company will, subject to the terms and conditions as set out in the Subscription Agreement, issue the Note and the Convertible Bond to the Investor each up to a maximum principal amount of US\$15,000,000.
- Note Consideration Amount: The amount equals to the relevant Note Subscription Amount after deducting the amount representing the costs and expenses incurred by the Initial Investor on the Note Issue Date.
- Note Closing Conditions: Completion and issuance of the Note is upon the conditions that:
- (1) The Initial Investor having received all of the documents and evidence in the conditions precedent documents in form and substance satisfactory to it on or prior to the date of the Notice of Issuance or otherwise waived by the Initial Investor;
 - (2) The representations and warranties of each Obligor contained in the Finance Documents to which it is a party being correct, accurate and not misleading on the date of the Subscription Agreement and each Issue Date;
 - (3) No default is outstanding or would result from the issuance by the Issuer of any Note to the Initial Investor;
 - (4) The aggregate number of Issuer Shares deposited into the Issuer Share Custody Account represents at least 30% of the entire issued capital of the Issuer;
 - (5) Satisfactory commercial, financial and legal due diligence of each Obligor, the Group and their respective business;

- (6) Approval of the transactions contemplated under the Finance Documents from the investment committee of the Initial Investor have been obtained and such approval not being revoked;
- (7) The Initial Investor is satisfied with the results of all necessary “know your customer” requirements and other anti-money laundering checks;
- (8) The Individual Guarantor remains to be a director of the Issuer, the controlling shareholder of the Issuer and has the power to direct the management and policies of the Issuer, whether through ownership of voting capital, by control or otherwise;
- (9) Yihua Crown Limited remains to beneficially own, directly or indirectly, 62.14 per cent. of the issued share capital of the Corporate Guarantor and Yihua Fortune Limited remains to beneficially own, directly or indirectly, 37.86 per cent. of the issued share capital of the Corporate Guarantor;
- (10) The Individual Guarantor remains to beneficially own, directly or indirectly, 100 per cent. of the issued share capital of Yihua Crown Limited;
- (11) On the date of the Subscription Agreement and each Issue Date, (a) the Total Assets do not exceed 2.3 times the Total Net Asset; and (b) the Total Net Assets is not less than RMB2,000,000,000 (or its equivalent in any other currency),

The above conditions should be in form and substance satisfactory to the Initial Investor.

(the “**Note Closing Conditions**”)

CB consideration amount:

The amount equals to the Convertible Bond Subscription Amount (as the case may be) after deducting the amount representing the costs and expenses incurred by the Initial Investor on the Issue Date.

CB Closing Conditions:

Completion and issuance of the Convertible Bonds is upon the conditions that:

- (1) The Initial Investor having received all of the documents and evidence in the conditions precedent documents in form and substance satisfactory to it on or prior to the date of the Notice of Issuance or otherwise waived by the Initial Investor;

- (2) The representations and warranties of each Obligor contained in the Finance Documents to which it is a party being correct, accurate and not misleading on the date of the Subscription Agreement and each Issue Date;
- (3) No default is outstanding or would result from the issuance by the Issuer of any Convertible Bond to the Initial Investor;
- (4) The aggregate number of Issuer Shares deposited into the Issuer Share Custody Account represents at least 30% of the entire issued capital of the Issuer;
- (5) Satisfactory commercial, financial and legal due diligence of each Obligor, the Group and their respective business;
- (6) Approval of the transactions contemplated under the Finance Documents from the investment committee of the Initial Investor have been obtained and such approval not being revoked;
- (7) The Initial Investor is satisfied with the results of all necessary “know your customer” requirements and other anti-money laundering checks;
- (8) The Individual Guarantor remains to be a director of the Issuer, the controlling shareholder of the Issuer and has the power to direct the management and policies of the Issuer, whether through ownership of voting capital, by control or otherwise;
- (9) Yihua Crown Limited remains to beneficially own, directly or indirectly, 62.14 per cent. of the issued share capital of the Corporate Guarantor and Yihua Fortune Limited remains to beneficially own, directly or indirectly, 37.86 per cent. of the issued share capital of the Corporate Guarantor;
- (10) The Individual Guarantor remains to beneficially own, directly or indirectly, 100 per cent. of the issued share capital of Yihua Crown Limited;
- (11) On the date of the Subscription Agreement and each Issue Date, (a) the Total Assets do not exceed 2.3 times the Total Net Asset; and (b) the Total Net Assets is not less than RMB2,000,000,000 (or its equivalent in any other currency),

The above conditions should be in form and substance satisfactory to the Initial Investor.

(12) The Listing Approval have been obtained; and

(13) The Initial Investor have received a copy of the General Mandate and any other evidence that the Issuer has sufficient authorized but unissued shares in its share capital which is authorized to be issued pursuant to the General Mandate to enable it to perform its obligations under the Convertible Bond Instrument when the Conversion Rights are exercised in full.

(the “**CB Closing Conditions**”)

PRINCIPLE TERMS OF THE NOTE

Issuer:	the Company
Principal Amount:	US\$15,000,000
Issue Price:	US\$15,000,000
Default Interest:	<p>In the case of an event of default where the Company fails to pay any amount in respect of the Note, the Default Interest shall accrue on the aggregate unpaid amount owed by the Company to such Noteholder from the relevant due date of such unpaid amount until the date on which such unpaid amount is settled in full by the Company at a rate of 20 per cent. per annum (on the basis of a 360-day year), and such Default Interest shall be payable by the Company monthly in cash;</p> <p>In the case of any other event of default, the Default Interest shall accrue on the total outstanding principal amount of the Note from the date on which such event of default occurs until the date on which such event of default has been fully remedied in the opinion of the Noteholder at a rate of 20 per cent. per annum (on the basis of a 360-day year), and such Default Interest shall be payable monthly in cash.</p>
Form and denomination:	The Notes will be issued in registered form represented by, and subject to the terms and conditions set out in, three Note Instruments with denomination of US\$5,000,000 each and in aggregate principal amount of US\$15,000,000.
Note Original Maturity Date:	The date falling 24 months from the first Note Issue Date.
Transferability:	The Note(s) will be freely transferable subject to the terms and conditions of the Finance Documents.

Redemption:

- (1) Redemption at maturity: Unless previously redeemed or purchased and cancelled, subject to the terms and conditions of the Finance Document, the Company shall redeem all the outstanding Note held by the Noteholder on the Original Maturity Date.
- (2) Voluntary Redemption: The Company may on or after the first anniversary of the Note Issue Date, provided that no event of default is outstanding at that time, by giving not less than 30 days' prior written notice to the Noteholder and the Agent, redeem all or any portion of the Notes issued to the Noteholder in full prior to the Original Maturity Date, or, if the Original Maturity Date is extended to the Final Maturity Date (and if the Original Maturity Date or the Final Maturity Date is not a Business Day, the Business Day immediately following such date).
- (3) Default Redemption: Upon the occurrence of an event of default, the Majority Noteholder may elect to require the Company to redeem all or such portion of the Notes (as determined by the Noteholder in its sole discretion) in the aggregate of an amount equal to:
- (a) the sum of one percent of the principal amount of such Notes;
 - (b) the sum of the total principal amount outstanding of such portion of the Note;
 - (c) all amounts of accrued but unpaid interest (including any default interest) on such portion of the Note then outstanding; and
 - (d) an amount determined by the Noteholder that would yield to the Noteholder an annualized internal rate of return of 20 per cent. on the face value of such portion of the Note held by the Noteholder redeemed or to be redeemed calculated from the Note Issue Date of that Note to the date of such redemption.
- Status of the Note: The Note constitutes direct, unconditional and guaranteed obligations of the Issuer and shall at all times rank *pari passu*, without any preference among themselves.

PRINCIPLE TERMS OF CONVERTIBLE BOND

The terms of the Convertible Bond have been negotiated between the Company and the Initial Investor on an arm's length basis. The principal terms of the Convertible Bond are summarized below:

Issuer:	the Company
Principal Amount:	US\$15,000,000
Issue Price:	US\$15,000,000
Default Interest:	<p>In the case of an event of default where the Company fails to pay any amount in respect of the Convertible Bond, the Default Interest shall accrue on the aggregate unpaid amount owed by the Company to such Convertible Bond Holder from the relevant due date of such unpaid amount until the date on which such unpaid amount is settled in full by the Company at a rate of 20 per cent. per annum (on the basis of a 360-day year), and such Default Interest shall be payable by the Company monthly in cash;</p> <p>In the case of any other event of default, the Default Interest shall accrue on the total outstanding principal amount of the Convertible Bond from the date on which such event of default occurs until the date on which such event of default has been fully remedied in the opinion of the Convertible Bond Holder at a rate of 20 per cent. per annum (on the basis of a 360-day year), and such Default Interest shall be payable monthly in cash.</p>
Form and denomination:	The Convertible Bonds will be issued in registered form represented by, and subject to the terms and conditions set out in, two Convertible Bond Instruments with denomination of US\$2,250,000 each and five Convertible Bond Instruments with denomination of US\$2,100,000 each and in aggregate principal amount of US\$15,000,000.
CB Original Maturity Date:	The date falling 24 months from the first Convertible Bond Issue Date.
Transferability:	The Conversion Shares will be freely transferable subject to the terms and conditions of the Finance Documents.
Conversion Price:	HK\$1.9205 per Conversion Share for 30% of the principal amount of the Convertible bonds and HK\$2.1949 per Conversion Share for 70% of the principal amount of the Convertible Bonds. (subject to adjustments)

Conversion Shares: 55,283,840 new shares based on the Conversion Price (subject to adjustments of the Conversion Price), representing approximately 6.89% of the issued share capital of the Company as at the date of this announcement and approximately 6.45% of the issued capital of the Company as enlarged by the allotment and issue of the Conversion Shares (assuming there was no repurchase of Shares or issue of other new Shares).

Conversion: Holder(s) of the Convertible Bonds shall have the right to convert the whole or part of the principal amount of the Convertible Bonds into Issuer Shares at the Conversion Price on the CB Original Maturity Date.

Adjustment to the Conversion Price: The Conversion Price is subject to adjustments upon the occurrence of, among other matters, subdivision or consolidation or capitalization issues, rights issues and other dilutive event in such manner in accordance with the terms and conditions of the Convertible Bonds. Each adjustment made pursuant to the adjustment event(s) would be certified by auditors of the Company, independent reputable accounting firms, merchant banks or other reputable financial institutions appointed by the Company.

Redemption:

(1) Redemption at maturity: Unless previously redeemed or purchased and cancelled, subject to the terms and conditions of the Finance Document, the Company shall redeem all the outstanding Convertible Bond held by the Convertible Bond Holder on the Original Maturity Date.

(2) Voluntary Redemption: The Company may on or after the first anniversary of the Convertible Bond Issue Date, provided that no event of default is outstanding at that time, by giving not less than 30 days' prior written notice to the Convertible Bond Holder and the Agent, redeem all or any portion of the Convertible Bond issued to the Convertible Bond Holder in full prior to the Original Maturity Date, or, if the Original Maturity Date is extended to the Final Maturity Date (and if the Original Maturity Date or the Final Maturity Date is not a Business Day, the Business Day immediately following such date).

- (3) Default Redemption Upon the occurrence of an event of default, the Majority Convertible Bond Holder may elect to require the Company to redeem all or such portion of the Convertible Bond (as determined by the Convertible Bond Holder in its sole discretion) in the aggregate of an amount equal to:
- (a) the sum of one percent of the principal amount of such Convertible Bond;
 - (b) the sum of the total principal amount outstanding of such portion of the Convertible Bond;
 - (c) all amounts of accrued but unpaid interest (including any default interest) on such portion of the Convertible Bond then outstanding; and
 - (d) an amount determined by the Convertible Bond Holder that would yield to the Convertible Bond Holder an annualized internal rate of return of 20 per cent. on the face value of such portion of the Convertible Bond held by the Convertible Bond Holder redeemed or to be redeemed calculated from the Convertible Bond Issue Date of that Convertible Bond to the date of such redemption.
- Voting Rights: Holder(s) of the Convertible Bonds shall not be entitled to attend or vote at any general meeting of the Company.
- Status of the Convertible Bond: The Convertible Bond constitutes direct, unconditional and guaranteed obligations of the Issuer and shall at all times rank *pari passu*, without any preference among the Note and Convertible Bond.
- Listing: No application will be made for listing of any of the Convertible Bond on the Stock Exchange or any other stock exchange.

Comparison of Conversion Price

The Conversion Price of HK\$1.9205 per new Issuer Share for 30% of the principal amount of Convertible Bonds represents:

- (a) a premium of 35.2% to the closing price of the Shares of HK\$1.4200 per Share as quoted on the Hong Kong Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 37.2% to the average closing price of the Shares of HK\$1.4000 per Share for the last five consecutive trading days up to and including the Last Trading Day;

- (c) a premium of approximately 35.2% over the average closing price of the Shares of HK\$1.4200 per Share for the last ten consecutive trading days up to and including the Last Trading Day; and

The Conversion Price of HK\$2.1949 per new Issuer Share for 70% of the principal amount of the Convertible Bonds represents:

- (a) a premium of 54.6% to the closing price of the Shares of HK\$1.4200 per Share as quoted on the Hong Kong Stock Exchange on the Last Trading Day;
- (b) a premium of approximately 56.8% to the average closing price of the Shares of HK\$1.4000 per Share for the last five consecutive trading days up to and including the Last Trading Day;
- (c) a premium of approximately 54.6% over the average closing price of the Shares of HK\$1.4200 per Share for the last ten consecutive trading days up to and including the Last Trading Day; and

The initial Conversion Price has been determined by the Company and the Subscriber after arm's length negotiations with reference to the recent closing prices of the Issuer Shares.

GENERAL MANDATE

Based on the principal amount of US\$15,000,000 of the Convertible Bond and the Conversion Price of HK\$1.9205 per Conversion Share for 30% of the principal amount of the Convertible bonds and HK\$2.1949 per Conversion Share for 70% of the principal amount of the Convertible Bonds, the Company will issue up to 55,283,840 Conversion Shares upon exercise of the conversion right attaching to the Convertible Bond.

The Directors were authorized to allot and issue up to 160,438,200 Shares under the General Mandate. The issuable Shares, or as the case may be, the remaining issuable Shares under the General Mandate are sufficient for the allotment and the issue of the Conversion Shares (assuming there will be no other issue of new Shares). It is therefore intended that the Conversion Shares will be allotted and issued under the General Mandate.

Application will be made by the Company to the Stock Exchange to approve the issue of the Convertible Bond and to the Listing Committee of the Stock Exchange for the granting of the approval for the listing of, and permission to deal in, the Conversion Shares, to be issued upon the exercise of the Convertible Bond.

GUARANTEE OF THE FINANCE DOCUMENTS

On or prior to the Completion, Mr. Liem as individual guarantor and China First Chemical Limited as corporate guarantor will irrevocably and unconditionally guarantee, among other matters, the punctual performance by the Company of all its obligations under the Finance Documents. Mr. Liem and China First Chemical Limited shall ensure that at all times their payment obligations under the Subscription Agreement rank at least *pari passu* with the claims of all their other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to the companies, or in the case of individual guarantor, to individuals generally.

REASONS FOR THE SUBSCRIPTION AGREEMENT AND THE USE OF THE PROCEEDS

The Company is an investment holding company and the Group is principally engaged in manufacturing and the sale of bleaching and disinfectant chemical products, foaming agent products and other specialty chemical products in the PRC.

The Directors (including the independent non-executive Directors) consider the entering into of the Subscription Agreement and the issue of the Note and the Convertible Bond by the Company offers a good opportunity for the Company to obtain financing and serves as an appropriate means of raising capital for the Group since it will not have an immediate dilution effect on the shareholding of the existing Shareholders.

The net proceeds from the Subscriptions will be used by the Company to finance the general investments and working capital funding requirements. In particular, the net proceeds would be used to fund the project with Pingnan Fine Chemical Industrial Park (as disclosed in the announcement dated 12 July 2016 of the Company). The first phase of the technological improvement and expansion project mainly involves bleaching and disinfectant chemical such as sodium chlorate and hydrogen peroxide, with an expected construction period of 3 years for over RMB900 million.

The Directors (including the independent non-executive Directors) consider that the terms of the Subscription Agreements are on normal commercial terms, which were arrived at after arm's length negotiations between the Company and each of the Subscribers, and that the issue of the Convertible Bonds and the Note pursuant to the terms thereof are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE GROUP AND THE INITIAL INVESTOR

The Company is an exempted company with limited liability under the laws of the Cayman Islands. The Group principally manufactures and sells bleaching and disinfectant chemical products, foaming agent products and other specialty chemical products in the PRC.

The Investor is a limited company incorporated under the laws of the British Virgin Islands, acting as the Initial Investor, as well as an agent and trustee for subsequent transferees of the Note and the Convertible Bonds.

To the best of the knowledge, information and belief of the Directors, and having made all reasonable enquiries, the Investor and its ultimate beneficial owner(s) are Independent Third Parties.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS PRIOR TO THE DATE OF THIS ANNOUNCEMENT

There had not been any equity funding raising activity conducted by the Group in the past 12 months immediately preceding the date of this announcement.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table shows the shareholding structure immediately before and after the exercise in full of the conversion rights attaching to the Convertible Bond at the price of HK\$1.9205 per Conversion Share for 30% of the principal amount of the Convertible bonds and HK\$2.1949 per Conversion Share for 70% of the principal amount of the Convertible Bonds, assuming the outstanding aggregate principal amount of the Convertible Bond is US\$15,000,000.

Shareholders	As at the date of this announcement		Immediately after the allotment and issue of the Conversion Shares upon full conversion of the Convertible Bonds at the Conversion Price of HK\$1.9205 and HK\$2.1949 respectively	
	Number of Shares	Approximate percentage (%)	Number of Shares	Approximate percentage (%)
Mr. Liem Djiang Hwa	419,949,888	52.35% ⁽¹⁾	419,949,888	48.98%
Mr. Lam Wai Wah	419,949,888	52.35% ⁽²⁾	419,949,888	48.98%
Yihua Crown Limited	419,949,888	52.35% ⁽¹⁾	419,949,888	48.98%
Yihua Fortune Limited	419,949,888	52.35% ⁽²⁾	419,949,888	48.98%
China First Chemical Ltd	419,949,888	52.35%	419,949,888	48.98%
China Renaissance Capital Investment II GP	180,050,112	22.44% ⁽³⁾	180,050,112	20.99%
China Renaissance Capital Investment II, L.P.	180,050,112	22.44% ⁽⁴⁾	180,050,112	20.99%
China Harvest Fund II, L.P.	180,050,112	22.44% ⁽⁵⁾	180,050,112	20.99%
Trophy Group Limited	180,050,112	22.44%	180,050,112	20.99%
Other public Shareholders	202,191,000	25.21%	202,191,000	23.58%
The Subscriber	—	—	55,283,840	6.45%
Total	<u>802,191,000</u>	<u>100%</u>	<u>857,474,840</u>	<u>100%</u>

Notes:

- (1) Mr. Liem Djiang Hwa is indirectly interested in the Company through Yihua Crown Limited, which in turn is indirectly interested in our Company through China First Chemical Ltd.
- (2) Mr. Lam Wai Wah is indirectly interested in the Company through Yihua Fortune Limited, which in turn is indirectly interested in the Company through China First Chemical Ltd.
- (3) China Renaissance Capital Investment II GP is the general partner of China Renaissance Capital Investment II, L.P. pursuant to a partnership agreement.
- (4) China Renaissance Capital Investment II, L.P. is the general partner of China Harvest Fund II, L.P..
- (5) China Harvest Fund II, L.P. is the sole shareholder of Trophy Group Limited.

GENERAL

Shareholders and potential investors should be aware of and take note that the Completion are conditional upon satisfaction of certain conditions as set out in the Finance Documents and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Issuer Shares, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

Unless the context requires otherwise, the following words and phrases used in this announcement have the following meanings:

“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	The board of Directors
“Business Day”	a day other than Saturday or Sunday on which banks are open for business in Hong Kong.
“Completion”	completion of the issue of the Note and the Convertible Bonds pursuant to the terms of the Subscription Agreements
“Convertible Bonds”	the convertible bonds to be issued by the Company pursuant to the Subscription Agreements
“Conversion Price”	The price at which the Conversion Shares will be issued upon conversion of the Convertible Bond, subject to adjustments from time to time under the terms and conditions of the Convertible Bonds
“Conversion Rights”	the rights attached to the Convertible Bonds to convert the whole or part thereof into Conversion Shares
“Conversion Shares”	Shares fall to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bond
“Directors”	the directors of the Company
“Final Maturity Date”	Means: (a) in relation to a Note, the date falling 12 months from the Original Maturity Date of the Note; and (b) in relation to a Convertible Bond, the date falling 12 months from the Original Maturity Date of the Convertible Bonds.

“Finance Document”	Means: (1) the Investment/Subscription Agreement; (2) each Note Instrument; (3) each Convertible Bond Instrument; (4) the Supplemental Deed; (5) a Notice of Issuance; (6) a Voluntary Redemption Notice; (7) a Conversion Notice; (8) an Extension Notice; (9) the Warning Notice; or (10) any other document designated as such by the Issuer and the Agent
“General Mandate”	a resolution of the shareholders passed in the annual general meeting of the Issuer held on 13 June 2016 granting the board of directors of the Issuer the authority to issue no more than 20% of the issued shares of the Issuer as at the date of such annual general meeting, which represents 160,438,200 Issuer Shares
“Group”	the Company and its Subsidiaries
“Guarantor”	Individual Guarantor or the Corporate Guarantor
“Hong Kong”	Hong Kong Special Administrative Region of PRC
“Hong Kong dollar or HK\$”	the lawful currency for the time being of Hong Kong
“Independent Third Party(ies)”	independent third part(ies) who is/are not connected person(s) of the Company and is/are independent of and not connected with the Company and its directors, chief executive, and substantial shareholders of the Company or any of its subsidiaries or their respective associates
“Initial Investor”	Chance Talent Management Limited
“Investor Accession Deed”	a deed by which an Investor (other than the Initial Investor) becomes a party to the Subscription Agreement.
“Issue Date”	a Note Issue Date or a Convertible Bond Issue Date

“Issuer Share”	any share in the issued capital of the Issuer that is listed on the Hong Kong Stock Exchange
“Listing Approval”	an approval granted by the Hong Kong Stock Exchange for the listing of and permission to deal in, the Issuer Shares to be issued as a result of the exercise of the conversion rights under the Convertible Bonds
“Listing Rules”	The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Majority Convertible Bond Holders”	at any time, one or more Convertible Bond Holders holding more than 50 per cent. of the total principal amount of the Convertible Bonds outstanding at that time
“Majority Noteholders”	at any time, one or more Noteholders holding more than 50 per cent. of the total principal amount of the Notes outstanding at that time
“Note (Convertible bond) Closing Conditions”	condition precedents to the Completion pursuant to the terms of the Subscription Agreements
“Note Holder(s)”	the registered holder(s) of the Note
“Obligor”	the Issuer or a Guarantor, and Obligors means all of them
“Original Maturity Date”	Means: <ul style="list-style-type: none"> (1) in relation to a Note, the date falling 24 months from the first Note Issue Date; and (2) in relation to a Convertible Bond, the date falling 24 months from the first Convertible Bond Issue Date
“PRC”	People’s Republic of China, but (solely for the purpose of the Finance Documents) excluding Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	the lawful currency for the time being of the PRC
“Security Interest”	any mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect
“Subscription Agreement(s)”	the conditional subscription agreement dated 25 July 2016 and entered into between the Company as issuer, the Investor as subscriber and Mr. Liem and China Fist Chemical Limited as guarantor in respect of the issue of the Note and the Convertible Bond

“the Company”

China First Chemical Holdings Limited

“%”

per cent

By order of the Board
CHINA FIRST CHEMICAL HOLDINGS LIMITED
Liem Djiang Hwa
Chairman and Non-executive Director

PRC, 25 July 2016

As at the date of the Company’s announcement, the Board comprises the Chairman and the non-executive Director namely Mr. Liem Djiang Hwa, the executive Directors namely Mr. Chen Hong, Ms. Miao Fei and Mr. Lam Wai Wah, and the independent non-executive Directors namely Dr. Kou Huizhong, Dr. Wang Xin and Dr. Lin Zhang.

香港交易及結算所有限公司及香港聯合交易所有限公司對本公告的內容概不負責，對其準確性或完整性亦不發表任何聲明，並明確表示，概不對因本公告全部或任何部份內容而產生或因倚賴該等內容而引致的任何損失承擔任何責任。



CHINA FIRST CHEMICAL HOLDINGS LIMITED

一化控股(中國)有限公司

(於開曼群島註冊成立的有限公司)

(股份代號：2121)

發行本金額15,000,000美元有擔保票據 及 本金額15,000,000美元有擔保可換股債券

發行可換股債券及票據

董事會欣然宣佈，於二零一六年七月二十五日(交易時段後)，本公司(作為發行人)與初始投資者(作為認購人)、林強華先生(作為個人擔保人)及China First Chemical Limited(作為公司擔保人)訂立認購協議，據此，本公司有條件地同意向初始投資者發行本金額分別為15,000,000美元的可換股債券及票據。本公司會利用認購事項所得款項淨額應付一般投資及營運資金需求。

就可換股債券及票據而言，林先生及China First Chemical Limited同意不可撤回及無條件地保證本公司如期履行其於財務文件項下的全部責任。

於本公告日期，本公司合共有802,191,000股發行人股份。可換股債券其中30%（即4,500,000美元）作價1.9205港元，其餘70%（即10,500,000美元）則作價2.1949港元。按購買票據及可換股券日期的匯率計算，假設可換股債券本金額其中30%按換股價1.9205港元及其餘70%則按2.1949港元全面轉換，可換股債券將轉換成55,283,840股換股股份，相當於本公司現有已發行股本約6.89%及本公司經配發及發行換股股份擴大的已發行股本約6.45%。

一般事項

初始投資者對可換股債券代價金額的認購及付款責任須待（其中包括）聯交所上市委員會批准所有可能發行的換股股份上市及買賣後，方可作實。換股股份將根據股東授予董事的一般授權發行及配發。

本公司將不會申請任何票據或可換股債券在聯交所或任何其他證券交易所上市。

股東及潛在投資者應注意，認購事項受多項條件所限，故不一定會進行。股東及潛在投資者買賣發行人股份時務請審慎行事。

認購協議

董事會欣然宣佈，於二零一六年七月二十五日（交易時段後），本公司（作為發行人）與初始投資者（作為認購人）、林強華先生（作為個人擔保人）及China First Chemical Limited（作為公司擔保人）訂立認購協議，據此，本公司有條件地同意向初始投資者發行本金額分別為15,000,000美元的可換股債券及票據。換股股份將根據一般授權配發及發行。

經董事作出一切合理查詢後所深知、全悉及確信，初始投資者以及其各自的聯繫人士及最終實益擁有人均為獨立第三方。

假設可換股債券本金額其中30%按換股價1.9205港元及其餘70%則按2.1949港元全面轉換，可換股債券將轉換成55,283,840股換股股份，相當於本公司現有已發行股本約6.89%及本公司經配發及發行換股股份擴大的已發行股本約6.45%。預期初始

投資者或其任何聯繫人士或最終實益擁有人於全面轉換其認購的可換股債券後，將不會成為主要股東。

認購協議主要條款

日期：二零一六年七月二十五日

發行人：本公司

認購人：初始投資者

發行票據及可換股債券：根據認購協議，本公司將在認購協議所載條款及條件規限下，向投資者發行本金額最高分別為15,000,000美元的票據及可換股債券。

票據代價金額：相等於扣除於票據發行日期初始投資者產生的成本及開支後的相關票據認購金額。

票據完成條件：完成及發行票據須待下列條件達成後，方可作實：

- (1) 初始投資者於發行通知日期或之前接獲先決條件文件中所有文件及證據，而形式及內容均獲其信納，或獲初始投資者另行豁免；
- (2) 作為財務文件訂約方的各義務人於其中作出的陳述及保證，於認購協議日期及各發行日期均屬正確、準確且無誤導成分；
- (3) 概無尚未解決或因發行人向初始投資者發行任何票據而造成的違約事件；
- (4) 存入至發行人股份託管戶口的發行人股份總數相當於發行人全部已發行股本最少30%；
- (5) 對各義務人、本集團及彼等各自的業務進行的商業、財務及法律盡職調查結果令人滿意；

- (6) 初始投資者的投資委員會批准財務文件項下擬進行交易，且該批准未有被撤回；
- (7) 初始投資者信納所有必要的「認識你的客戶」規定及其他反洗錢調查的結果；
- (8) 個人擔保人仍為發行人董事及發行人控股股東，並有權指引發行人的管理及政策（不論是透過擁有具投票權的股本、以控制形式或其他方式）；
- (9) Yihua Crown Limited 仍然直接或間接實益擁有公司擔保人已發行股本62.14%，及Yihua Fortune Limited 仍然直接或間接實益擁有公司擔保人已發行股本37.86%；
- (10) 個人擔保人仍然直接或間接實益擁有Yihua Crown Limited 已發行股本100%；
- (11) 於認購協議日期及各發行日期，(a) 資產總值不超過總資產淨值2.3倍；及(b) 總資產淨值不少於人民幣2,000,000,000元（或任何其他貨幣的等值金額）。

上述條件的形式及內容須獲初始投資者信納。

（「票據完成條件」）

可換股債券
代價金額：

相等於扣除於發行日期初始投資者產生的成本及開支後的可換股債券認購金額（視情況而定）。

可換股債券
完成條件：

完成及發行可換股債券須待下列條件達成後，方可作實：

- (1) 初始投資者於發行通知日期或之前接獲先決條件文件中所有文件及證據，而形式及內容均獲其信納，或獲初始投資者另行豁免；

- (2) 作為財務文件訂約方的各義務人於其中作出的陳述及保證，於認購協議日期及各發行日期均屬正確、準確且無誤導成分；
- (3) 概無尚未解決或因發行人向初始投資者發行任何可換股債券而造成的違約事件；
- (4) 存入至發行人股份託管戶口的發行人股份總數相當於發行人全部已發行股本最少30%；
- (5) 對各義務人、本集團及彼等各自的業務進行的商業、財務及法律盡職調查結果令人滿意；
- (6) 初始投資者的投資委員會批准財務文件項下擬進行交易，且該批准未有被撤回；
- (7) 初始投資者信納所有必要的「認識你的客戶」規定及其他反洗錢調查的結果；
- (8) 個人擔保人仍為發行人董事及發行人控股股東，並有權指引發行人的管理及政策(不論是透過擁有具投票權的股本、以控制形式或其他方式)；
- (9) Yihua Crown Limited仍然直接或間接實益擁有公司擔保人已發行股本62.14%，及Yihua Fortune Limited仍然直接或間接實益擁有公司擔保人已發行股本37.86%；
- (10) 個人擔保人仍然直接或間接實益擁有Yihua Crown Limited已發行股本100%；
- (11) 於認購協議日期及各發行日期，(a)資產總值不超過總資產淨值2.3倍；及(b)總資產淨值不少於人民幣2,000,000,000元(或任何其他貨幣的等值金額)。

上述條件的形式及內容須獲初始投資者信納。

(12) 取得上市批准；及

(13) 初始投資者接獲一般授權及任何其他證據文本，證明發行人的股本備有充足的法定但未發行股份（根據一般授權獲授權發行的股份），讓其可於換股權獲全面行使時履行其於可換股債券文據項下責任。

（「可換股債券完成條件」）

票據的主要條款

發行人：	本公司
本金額：	15,000,000 美元
發行價：	15,000,000 美元
違約罰息：	<p>倘發生本公司未能就票據支付任何款項的違約事件，則將自未付款項的有關到期日起至本公司悉數結清未付款項之日止，就本公司結欠有關票據持有人的未付款項總額以一年360日的基準按年利率20%計算違約罰息，本公司須每月以現金支付有關違約罰息；</p> <p>倘為任何其他違約事件，則將自有關違約事件發生之日起至票據持有人認為違約事件得以全面補救之日止，就票據未償付本金總額以一年360日的基準按年利率20%計算違約罰息，有關違約罰息須每月以現金支付。</p>
形式及面值：	票據將以記名形式發行，分別以三份票據文據為代表，受當中所載條款及條件規限，每份面值為5,000,000美元，即本金總額為15,000,000美元。
票據原訂到期日：	首個票據發行日期起計滿24個月之日。
可轉讓性：	票據將在財務文件的條款及條件規限下自由轉讓。

贖回：

- (1) 到期贖回 除非先前已贖回或購買並註銷，在財務文件的條款及條件規限下，本公司將於原訂到期日贖回票據持有人持有的所有未償付票據。
- (2) 自願贖回： 於票據發行日期一週年或之後，在當時並無任何違約事件尚未解決的前提下，本公司可透過向票據持有人及代理人發出不少於30日的事先書面通知，於原訂到期日(或倘原訂到期日獲延後至最終到期日及倘原訂到期日或最終到期日並非營業日，則緊隨有關日子後的營業日)前悉數贖回發行予票據持有人的全部或任何部分票據。
- (3) 違約贖回： 於發生違約事件時，主要票據持有人可選擇要求本公司按相當於以下各項總額的金額贖回全部或部分票據(由票據持有人全權酌情決定)：
- (a) 有關票據本金額的1%；
 - (b) 票據相關部分的未償付本金總額；
 - (c) 就當時未付還票據相關部分累計但未支付的利息(包括任何違約罰息)總額；及
 - (d) 票據持有人釐定的金額，有關金額將自票據發行日期至贖回當日，按票據持有人所持已贖回或將贖回票據相關部分的面值計算，為票據持有人帶來年度內部回報率20%。
- 票據地位： 票據構成發行人的直接、無條件及有擔保責任，且彼此之間於任何時間享有同地位，不具有任何優先權。

可換股債券主要條款

可換股債券條款乃由本公司與初始投資者公平磋商。可換股債券的主要條款概述如下：

發行人： 本公司

本金額： 15,000,000 美元

發行價： 15,000,000 美元

違約罰息： 倘發生本公司未能就可換股債券支付任何款項的違約事件，則將自未付款項的有關到期日起至本公司悉數結清未付款項之日止，就本公司結欠有關可換股債券持有人的未付款項總額以一年360日的基準按年利率20%計算違約罰息，本公司須每月以現金支付有關違約罰息；

倘為任何其他違約事件，則將自有關違約事件發生之日起至可換股債券持有人認為違約事件得以全面補救之日止，就可換股債券未償付本金總額以一年360日的基準按年利率20%計算違約罰息，有關違約罰息須每月以現金支付。

形式及面值： 可換股債券將以記名形式發行，分別以兩份每份面值為2,250,000美元及五份每份面值為2,100,000美元的可換股債券文據為代表，受當中所載條款及條件規限，即本金總額為15,000,000美元。

可換股債券
原訂到期日： 首個可換股債券發行日期起計滿24個月之日。

可轉讓性： 換股股份將在財務文件的條款及條件規限下自由轉讓。

換股價： 可換股債券本金額其中30%為每股換股股份1.9205港元，而其餘70%則為每股換股股份2.1949港元。(可予調整)

- 換股股份：按換股價(換股價可予調整)計算為55,283,840股新股份，相當於本公告日期本公司已發行股本約6.89%以及本公司經配發及發行換股股份擴大的已發行股本約6.45%(假設並無購回股份或發行其他新股份)。
- 轉換：可換股債券持有人有權於可換股債券原訂到期日按換股價將可換股債券全部或部分本金額轉換為發行人股份。
- 調整換股價：換股價可於發生(其中包括)股份拆細或合併或資本化發行、供股發行及其他攤薄事件時以符合可換股債券的條款及條件的方式予以調整。就調整事件作出的各項調整均須經由本公司委任的本公司核數師、信譽良好的獨立會計師行、商人銀行或其他信譽良好的財務機構認證。
- 贖回：
- (1) 到期贖回 除非先前已贖回或購買並註銷，在財務文件的條款及條件規限下，本公司將於原訂到期日贖回可換股債券持有人持有的所有未償付可換股債券。
- (2) 自願贖回：於可換股債券發行日期一週年或之後，在當時並無任何違約事件尚未解決的前提下，本公司可透過向可換股債券持有人及代理人發出不少於30日的事先書面通知，於原訂到期日(或倘原訂到期日獲延後至最終到期日及倘原訂到期日或最終到期日並非營業日，則緊隨有關日子後的營業日)前悉數贖回發行予可換股債券持有人的全部或任何部分可換股債券。

(3) 違約贖回： 於發生違約事件時，主要可換股債券持有人可選擇要求本公司按相當於以下各項總額的金額贖回全部或部分可換股債券(由可換股債券持有人全權酌情決定)：

(a) 有關可換股債券本金額的1%；

(b) 可換股債券相關部分的未償付本金總額；

(c) 就當時未償付可換股債券相關部分累計但未支付的利息(包括任何違約罰息)總額；及

(d) 可換股債券持有人釐定的金額，有關金額將自可換股債券發行日期至贖回當日，按可換股債券持有人所持已贖回或將贖回可換股債券相關部分的面值計算，為可換股債券持有人帶來年度內部回報率20%。

投票權： 可換股債券持有人無權出席本公司任何股東大會或於會上投票。

可換股債券地位： 可換股債券構成發行人的直接、無條件及有擔保責任，且票據及可換股債券之間於任何時間享有同等地位，不具有任何優先權。

上市： 本公司將不會申請任何可換股債券在聯交所或任何其他證券交易所上市。

換股價的比較

可換股債券本金額其中30%的換股價每股新發行人股份1.9205港元較：

(a) 股份於最後交易日在香港聯交所所報收市價每股1.4200港元有溢價35.2%；

(b) 股份於截至最後交易日(包括該日)止最後五個連續交易日的平均收市價每股1.4000港元有溢價約37.2%；

(c) 股份於截至最後交易日(包括該日)止最後十個連續交易日的平均收市價每股1.4200港元有溢價約35.2%；及

可換股債券本金額其餘70%的換股價每股新發行人股份2.1949港元較：

(a) 股份於最後交易日在香港聯交所所報收市價每股1.4200港元有溢價54.6%；

(b) 股份於截至最後交易日(包括該日)止最後五個連續交易日的平均收市價每股1.4000港元有溢價約56.8%；

(c) 股份於截至最後交易日(包括該日)止最後十個連續交易日的平均收市價每股1.4200港元有溢價約54.6%；及

換股價乃由本公司與認購人經參考發行人股份最近的收市價後公平磋商釐定。

一般授權

按可換股債券本金額15,000,000美元及可換股債券本金額其中30%的換股價為每股換股股份1.9205港元而其餘70%則為每股換股股份2.1949港元計算，於可換股債券所附換股權獲行使時，本公司將發行最多55,283,840股換股股份。

根據一般授權，董事獲授權配發及發行最多160,438,200股股份。根據一般授權可予發行股份或(視情況而定)餘下可予發行股份足以用作配發及發行換股股份(假設將不會發行其他新股份)。因此，本公司擬根據一般授權配發及發行換股股份。

本公司將向聯交所申請批准發行可換股債券，並向聯交所上市委員會申請批准可換股債券獲行使後將予發行的換股股份上市及買賣。

財務文件的擔保

在完成或之前，林先生(作為個人擔保人)及China First Chemical Limited(作為公司擔保人)將不可撤回及無條件地保證(其中包括)本公司如期履行其於財務文件項下的全部責任。林先生及China First Chemical Limited將確保彼等於認購協議項下的償付責任於任何時間至少與彼等所有其他無抵押及非後償債權人的權利主張具有同等地位，惟法律規定一般適用於公司或(如屬個人擔保人)個人的強制責任除外。

訂立認購協議的原因及所得款項用途

本公司為投資控股公司，而本集團主要於中國從事漂白消毒化學品、發泡劑及其他特種化學品的製造和銷售。

董事(包括獨立非執行董事)認為，訂立認購協議以及本公司發行票據及可換股債券為本公司提供良好的融資機會，而由於此舉將不會即時攤薄現有股東的股權，故可作為本集團集資的適當途徑。

認購事項所得款項淨額將由本公司用作撥付一般投資及營運資金需求，特別是所得款項淨額將用作撥付本公司日期為二零一六年七月十二日的公告所披露的屏南精細化工園項目。技改擴建項目一期工程主要包括氯酸鈉、雙氧水等漂白消毒化學品，預計建設期為3年，涉資超過人民幣9億元。

董事(包括獨立非執行董事)認為，認購協議之條款乃按正常商業條款訂立，並由本公司與各認購人公平磋商後釐定，而根據認購協議之條款發行可換股債券及票據屬公平合理，並符合本公司及股東整體利益。

有關本集團及初始投資者的資料

本公司為根據開曼群島法律註冊成立的獲豁免有限公司。本集團主要於中國從事漂白消毒化學品、發泡劑及其他特種化學品的製造和銷售。

投資者為根據英屬維爾京群島法律註冊成立的有限公司，擔任初始投資者以及票據及可換股債券後繼承讓人的代理及受託人。

據董事經作出一切合理查詢後所深知、全悉及確信，投資者及其最終實益擁有人均為獨立第三方。

在本公告日期前過去十二個月的集資活動

本集團於緊接本公告日期前過去十二個月並無進行任何股本集資活動。

對本公司股權架構的影響

下表載列緊接可換股債券本金額其中30%按每股換股股份1.9205港元及其餘70%按每股換股股份2.1949港元的換股價悉數行使可換股債券所附換股權前後的股權架構(假設可換股債券的未償付本金總額為15,000,000美元)。

股東	於本公告日期		緊隨分別按換股價 1.9205港元及2.1949港元悉數 轉換可換股債券而 配發及發行換股股份後	
	股份數目	概約百分比 (%)	股份數目	概約百分比 (%)
林強華先生	419,949,888	52.35% ⁽¹⁾	419,949,888	48.98%
林維華先生	419,949,888	52.35% ⁽²⁾	419,949,888	48.98%
Yihua Crown Limited	419,949,888	52.35% ⁽¹⁾	419,949,888	48.98%
Yihua Fortune Limited	419,949,888	52.35% ⁽²⁾	419,949,888	48.98%
China First Chemical Ltd	419,949,888	52.35%	419,949,888	48.98%
China Renaissance Capital Investment II GP	180,050,112	22.44% ⁽³⁾	180,050,112	20.99%
China Renaissance Capital Investment II, L.P.	180,050,112	22.44% ⁽⁴⁾	180,050,112	20.99%
China Harvest Fund II, L.P.	180,050,112	22.44% ⁽⁵⁾	180,050,112	20.99%
Trophy Group Limited	180,050,112	22.44%	180,050,112	20.99%
其他公眾股東 認購人	202,191,000 —	25.21% —	202,191,000 55,283,840	23.58% 6.45%
總計	<u>802,191,000</u>	<u>100%</u>	<u>857,474,840</u>	<u>100%</u>

附註：

- (1) 林強華先生透過Yihua Crown Limited間接擁有本公司權益，而Yihua Crown Limited則透過China First Chemical Ltd間接擁有本公司權益。
- (2) 林維華先生透過Yihua Fortune Limited間接擁有本公司權益，而Yihua Fortune Limited則透過China First Chemical Ltd間接擁有本公司權益。
- (3) 根據合夥協議，China Renaissance Capital Investment II GP為China Renaissance Capital Investment II, L.P.的普通合夥人。
- (4) China Renaissance Capital Investment II, L.P.為China Harvest Fund II, L.P.的普通合夥人。
- (5) China Harvest Fund II, L.P.為Trophy Group Limited的唯一股東。

一般事項

股東及潛在投資者應知悉並注意，完成須待財務文件所載若干條件獲達成後方可作實，故不一定會進行。股東及潛在投資者買賣發行人股份時務請審慎行事，倘彼等對本身的狀況有任何疑問，彼等應諮詢專業顧問。

釋義

除文義另有所指外，本公告所用下列詞彙及字詞具有以下涵義：

「聯繫人士」	指	具上市規則所賦予涵義
「董事會」	指	董事會
「營業日」	指	香港銀行一般開放辦理業務的日子(星期六或星期日除外)
「完成」	指	根據認購協議條款完成發行票據及可換股債券
「可換股債券」	指	本公司根據認購協議將予發行的可換股債券
「換股價」	指	於轉換可換股債券時將發行換股股份的價格，可按可換股債券條款及條件不時作出調整
「換股權」	指	可換股債券附帶可將其全部或部分轉換為換股股份的權利
「換股股份」	指	於行使可換股債券所附換股權時將配發及發行的股份
「董事」	指	本公司董事
「最終到期日」	指	即： (a) 就票據而言，票據原訂到期日起計滿12個月之日；及 (b) 就可換股債券而言，可換股債券原訂到期日起計滿12個月之日

「財務文件」	指	<p>下列各項文件：</p> <p>(1) 投資／認購協議；</p> <p>(2) 各票據文據；</p> <p>(3) 各可換股債券文據；</p> <p>(4) 補充契據；</p> <p>(5) 發行通知；</p> <p>(6) 自願贖回通知；</p> <p>(7) 轉換通知；</p> <p>(8) 延期通知；</p> <p>(9) 警告通知；或</p> <p>(10) 發行人及代理指定的任何其他文件</p>
「一般授權」	指	<p>股東於二零一六年六月十三日舉行的發行人股東週年大會上通過一項決議案，授予發行人董事會授權，可發行不超過該股東週年大會日期發行人已發行股份的20%，相當於160,438,200股發行人股份</p>
「本集團」	指	<p>本公司及其附屬公司</p>
「擔保人」	指	<p>個人擔保人或公司擔保人</p>
「香港」	指	<p>中國香港特別行政區</p>
「港元」	指	<p>香港現時的法定貨幣</p>
「獨立第三方」	指	<p>並非本公司關連人士且獨立於本公司及其董事、主要行政人員、本公司或其任何附屬公司的主要股東或彼等各自的聯繫人士及與彼等概無關連的獨立第三方</p>
「初始投資者」	指	<p>Chance Talent Management Limited</p>
「投資者加入契據」	指	<p>一名投資者(初始投資者除外)成為認購協議訂約方的契據</p>
「發行日期」	指	<p>票據發行日期或可換股債券發行日期</p>

「發行人股份」	指	發行人已發行股本中於香港聯交所上市的任何股份
「上市批准」	指	香港聯交所批准因可換股債券項下換股權獲行使而將予發行的發行人股份上市及買賣
「上市規則」	指	香港聯合交易所有限公司證券上市規則
「主要可換股債券持有人」	指	於任何時候持有當時未償付可換股債券本金總額超過百分之五十的一名或多名可換股債券持有人
「主要票據持有人」	指	於任何時候持有當時未償付票據本金總額超過百分之五十的一名或多名票據持有人
「票據(可換股債券)完成條件」	指	根據認購協議條款完成的先決條件
「票據持有人」	指	票據的登記持有人
「義務人」	指	發行人或擔保人，義務人泛指上述兩者
「原訂到期日」	指	即： <ul style="list-style-type: none"> (1) 就票據而言，首個票據發行日期起計滿24個月之日；及 (2) 就可換股債券而言，首個可換股債券發行日期起計滿24個月之日
「中國」	指	中華人民共和國，惟僅就財務文件而言，不包括香港、澳門特別行政區及台灣
「人民幣」	指	中國現時的法定貨幣
「抵押權益」	指	任何按揭、質押、留置權、押記、轉讓、抵押或抵押權益或任何其他具有類似影響的協議或安排
「認購協議」	指	本公司(作為發行人)、投資者(作為認購人)與林先生及China First Chemical Limited(作為擔保人)就發行票據及可換股債券所訂立日期為二零一六年七月二十五日的有條件認購協議

「本公司」 指 一化控股(中國)有限公司

「%」 指 百分比

承董事會命
一化控股(中國)有限公司
主席兼非執行董事
林強華

中國，二零一六年七月二十五日

於本公司公告日期，董事會包括主席兼非執行董事林強華先生；執行董事陳洪先生、繆妃女士及林維華先生以及獨立非執行董事寇會忠博士、王鑫博士及林璋博士。