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HUAJUN HOLDINGS LIMITED

華君控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 377)

CHANGE IN SHAREHOLDING OF CONTROLLING SHAREHOLDER

The Board was informed by CHG that, for the purpose of internal restructuring, Huajun (Gaoyou), the sole registered shareholder of CHG and being ultimately owned as to 97.0% and 3.0% by Mr. Meng and Ms. Bao, respectively, entered into the Sale and Purchase Agreement with HGL. Pursuant to the Sale and Purchase Agreement, Huajun (Gaoyou) conditionally agreed to sell and HGL conditionally agreed to purchase the entire issued share capital of CHG. Upon completion of the Transaction, CHG will be ultimately beneficially owned as to 100% by Mr. Meng and will remain as a controlling Shareholder (as defined under the Listing Rules).

The Board was informed by CHG that an application for waiver will be made by HGL to the Executive from the obligation to make a general offer for the Shares under the Takeovers Code in connection with the proposed change in shareholding of the Company. The Sale and Purchase Agreement is subject to a number of conditions precedent which include, the granting of waiver by the Executive. Hence, if such waiver is not granted by the Executive, the Transaction will not proceed.

The Board considers that the Transaction will not have any impact on the financial position and operations of the Company and its subsidiaries.

Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

THE TRANSACTION

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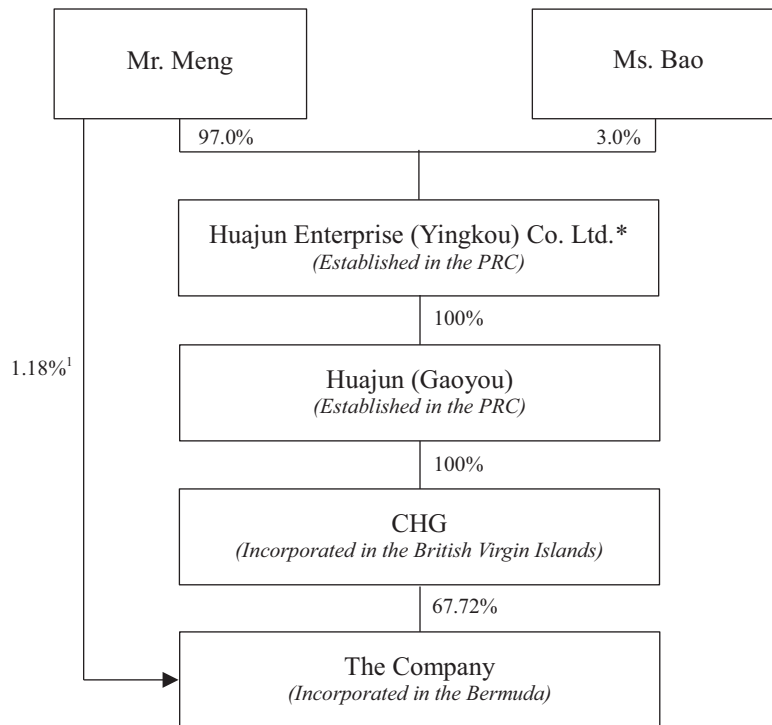
PROPOSED CHANGE IN SHAREHOLDING STRUCTURE

As at the date of this announcement:

- (i) CHG held 41,084,366 Shares, representing approximately 67.72% of total issued share capital of the Company. The entire issued share capital of CHG was owned by Huajun (Gaoyou), which was wholly owned by Huajun Enterprise (Yingkou) Co., Ltd.* (華君實業(營口)有限公司), which was in turn owned as to 97.0% by Mr. Meng and 3.0% by Ms. Bao;
- (ii) the entire issued share capital of HGL was owned by Mr. Meng.

Upon completion of the Transaction, CHG will be ultimately beneficially owned as to 100% by Mr. Meng and will remain as a controlling Shareholder (as defined under the Listing Rules).

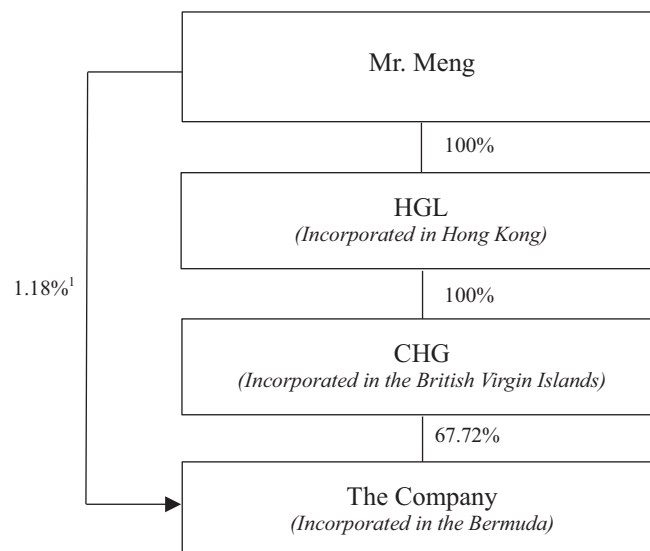
The following chart sets out the shareholding structure immediately before the completion of the Transaction:



Note:

- As at the date of this announcement, Mr. Meng directly held 717,790 Shares.

The following chart sets out the shareholding structure immediately after the completion of the Transaction:



Note:

- As at the date of this announcement, Mr. Meng directly held 717,790 Shares.

The Board considers that the Transaction will not have any impact on the financial position and operations of the Company and its subsidiaries.

Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors;
“CHG”	China Huajun Group Limited (formerly known as Huajun International Limited), a company incorporated in the British Virgin Islands and a controlling Shareholder (as defined under the Listing Rules) as at the date of this announcement;
“Company”	Huajun Holdings Limited (華君控股有限公司*) (stock code: 377), a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	director(s) of the Company;
“Executive”	the Executive Director of the Corporate Finance Division of the Securities and Futures Commission;
“HGL”	Huajun Group Limited (華君集團有限公司), a company incorporated in Hong Kong with limited liability;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Huajun (Gaoyou)”	華君置業(高郵)有限公司 (Huajun Real Estate (Gaoyou) Co. Ltd.*), a company established in the PRC with limited liability and a controlling Shareholder (as defined under the Listing Rules) as at the date of this announcement;

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Mr. Meng”	Mr. Meng Guang Bao (孟廣寶), the chairman, an executive Director and a controlling Shareholder (as defined under the Listing Rules);
“Ms. Bao”	Ms. Bao Le (鮑樂), the spouse of Mr. Meng;
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, Macau Special Administrative Region and Taiwan;
“Sale and Purchase Agreement”	the sale and purchase agreement dated 21 March 2018 entered into between Huajun (Gaoyou) and HGL in respect of the Transaction;
“Share(s)”	ordinary share(s) of HK\$1.00 each in the share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s);
“Takeovers Code”	the Code on Takeovers and Mergers;
“Transaction”	the sale and purchase of the entire issued share capital of CHG contemplated under the Sale and Purchase Agreement;
“%”	per cent.

By order of the Board
Huajun Holdings Limited
CHAN Wing Hang
Company Secretary

Hong Kong, 21 March 2018

As at the date of this announcement, the Board comprises Mr. Meng Guang Bao, Mr. Wu Jiwei, Ms. Zhang Ye, Mr. Guo Song and Mr. He Shufen as executive Directors; and Mr. Zheng Bailin, Mr. Shen Ruolei and Mr. Pun Chi Ping as independent non-executive Directors.

If there is any inconsistency in this announcement between the Chinese and English versions, the English version shall prevail.

* *For identification purposes only*