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HONBRIDGE HOLDINGS LIMITED

(incorporated in the Cayman islands with limited liability)

(stock code : 8137)

(1) INSIDE INFORMATION IN RESPECT OF A POSSIBLE COOPERATION

(2) MEMORANDUM OF UNDERSTANDING IN RESPECT OF A POSSIBLE ISSUE OF CONVERTIBLE BONDS AND GRANT OF OPTIONS; AND

(3) RESUMPTION OF TRADING

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions of Part XIVA of the SFO (Chapter 571 of the Laws of Hong Kong).

(1) POSSIBLE COOPERATION

The Board is pleased to announce that the Company and New Hope Group have entered into preliminary negotiations in relation to the cooperation on new energy vehicle related businesses including but not limited to, the research and development, and production and sales of electric batteries, motors and vehicle management systems.

The details, mode, and terms of the Possible Cooperation shall be subject to further negotiations between the Company and New Hope Group. By applying the lithium-ion battery technology of Shandong Forever New Energy Company Limited, a subsidiary of the Company, the Company and New Hope Group intend to conduct a feasibility study on further and actual cooperation of certain models. The scale of production, investment and the proportion of investment have not yet been determined.

The Board wishes to emphasise that no legally binding agreement in relation to the Possible Cooperation has been entered into by the Company and New Hope Group as at the date of this announcement. As such, the Possible Cooperation may or may not proceed. Shareholders and potential investors of the Company are urged to exercise caution when dealing in the Shares.

If the Possible Cooperation materialises, the Company will make further announcement(s) as and when appropriate and comply with all applicable requirements under the GEM Listing Rules.

(2) MEMORANDUM OF UNDERSTANDING

In order to strengthen the relationships between the Company and New Hope Group, the Board is pleased to announce that on 9 March 2015, the Company and New Hope Group entered into the Memorandum of Understanding pursuant to which, it is proposed that (i) the Company will issue and New Hope Group (or such person(s) at its direction) will subscribe for the Convertible Bonds; and (ii) the Company will grant to New Hope Group (or such person(s) at its direction) the Options.

Pursuant to the Memorandum of Understanding, the Company shall (i) issue Convertible Bonds with aggregate principal amount of no less than HK\$240,870,000 and no more than HK\$1,379,730,000; and (ii) grant Options to New Hope Group (or such person(s) at its direction) pursuant to which no more than 1,026,000,000 Option Shares to be allotted and issued to New Hope Group (or such person(s) at its direction). In any event, the aggregate number of Shares to be held by New Hope Group (or such person(s) at its direction) upon conversion of the Convertible Bonds and exercise of the Options shall not exceed 1,243,000,000 Shares, which represents (i) approximately 18.70% of the total issued share capital of the Company as at the date of this announcement; and (ii) approximately 15.76% of the total issued share capital of the Company as enlarged by the issuance of Shares upon conversion of the Convertible Bonds and the issuance of Option Shares upon exercise of the Options.

Pursuant to the Memorandum of Understanding, New Hope Group (or such person(s) at its direction) will be subject to compulsory conversion of all outstanding Convertible Bonds into Shares in the event the Company and New Hope Group or its affiliate enter into formal agreements in respect of the Possible Cooperation (details of which are elaborated below) and the necessary approvals have obtained, and the Options will be exercisable only when the Convertible Bonds are fully converted into Shares. For the avoidance of doubt, the issue of the Convertible Bonds and grant of Options are subject to the entering of the CB Formal Agreement and Options Formal Agreement between the Company and New Hope Group (or such person(s) at its direction).

The Board wishes to emphasise that no legally binding Formal Agreements have been entered into by the Company and New Hope Group as at the date of this announcement (save as to certain provisions thereof regarding pricing, maximum aggregate number of Shares to be held by New Hope Group (or such person(s) at its direction) upon conversion of the Convertible Bonds and the exercise of the Options, costs and expenses, confidentiality and other miscellaneous matters). As such, the transactions contemplated under the Memorandum of Understanding may or may not proceed. Shareholders and potential investors of the Company are urged to exercise caution when dealing in the Shares.

The Company will make further announcement(s) as and when appropriate and comply with all applicable requirements under the GEM Listing Rules in the event that the Formal Agreements have been signed.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on Monday, 9 March 2015, pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading of the Shares with effect from 9:00 a.m. on Thursday, 12 March 2015.

This announcement is made pursuant to Rule 17.10 of the GEM Listing Rules and the Inside Information Provisions of Part XIVA of the SFO (Chapter 571 of the Laws of Hong Kong).

(1) POSSIBLE COOPERATION

The Board is pleased to announce that the Company and New Hope Group have entered into preliminary negotiations in relation to the cooperation on new energy vehicle related businesses, including but not limited to, the research and development, and production and sales of electric batteries, motors and vehicle management systems.

The details, mode, and terms of the Possible Cooperation shall be subject to further negotiations between the Company and New Hope Group. By applying the lithium-ion battery technology of Shandong Forever New Energy Company Limited, a subsidiary of the Company, the Company and New Hope Group intend to conduct a feasibility study on further and actual cooperation of certain models. The scale of production, investment and the proportion of investment have not yet been determined.

New Hope Group is a limited liability company incorporated in the PRC, and the New Hope Group and its subsidiaries are principally engaged in agribusiness within and outside the PRC. New Hope Group has also developed a diversified investment portfolio in the real estate, chemical and financial industries.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, New Hope Group and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules).

The Directors believe that the new energy vehicle industry has entered into phase of large-scale development. Further investing in the new energy vehicle related businesses will enable the Group to seize this opportunity to create value for Shareholders.

The Board wishes to emphasise that no legally binding agreement in relation to the Possible Cooperation has been entered into by the Company and New Hope Group as at the date of this announcement. As such, the Possible Cooperation may or may not proceed. Shareholders and potential investors of the Company are urged to exercise caution when dealing in the Shares.

If the Possible Cooperation materialises, the Company will make further announcement(s) as and when appropriate and comply with all applicable requirements under the GEM Listing Rules.

(2) MEMORANDUM OF UNDERSTANDING — INDICATIVE TERMS OF THE CONVERTIBLE BONDS AND OPTIONS

In order to strengthen the relationships between the Company and New Hope Group, the Board is pleased to announce that on 9 March 2015, the Company and New Hope Group entered into the Memorandum of Understanding pursuant to which, it is proposed that (i) the Company will issue and New Hope Group (or such person(s) at its direction) will subscribe for the Convertible Bonds; and (ii) the Company will grant and New Hope Group (or such person(s) at its direction) will subscribe for the Options.

Pursuant to the Memorandum of Understanding, the Company shall (i) issue Convertible Bonds with aggregate principal amount of no less than HK\$240,870,000 and no more than HK\$1,379,730,000; and (ii) grant Options to New Hope Group (or such person(s) at its direction) pursuant to which no more than 1,026,000,000 Option Shares to be allotted and issued to New Hope Group (or such person(s) at its direction). In any event, the aggregate number of Shares to be held by New Hope Group (or such person(s) at its direction) upon conversion of the Convertible Bonds and exercise of the Options shall not exceed 1,243,000,000 Shares, which represents (i) approximately 18.70% of the total issued share capital of the Company as at the date of this announcement; and (ii) approximately 15.76% of the total issued share capital of the Company as enlarged by the issuance of Shares upon conversion of the Convertible Bonds and the issuance of Option Shares upon exercise of the Options.

(A) Convertible Bonds

The indicative principal terms of the Convertible Bonds are summarised below:

Parties

- (i) The Company (as the issuer); and
- (ii) New Hope Group (or such person(s) at its direction) (as the subscriber)

Bonds

Two-year, zero coupon convertible bonds with an aggregate principal amount of no less than HK\$240,870,000 and no more than HK\$1,379,730,000

Issue amount

100% of the principal amount of the Convertible Bonds

Conversion price

HK\$1.11 per Conversion Share, subject to customary adjustments for, among other matters, subdivision or consolidation of Shares etc.

Total number of Shares to be issued upon conversion of the Convertible Bonds

No less than 217,000,000 Shares and no more than 1,243,000,000 Shares, which represents no less than approximately 3.30% and no more than approximately 18.70% of the total issued share capital of the Company as at the date of this announcement, respectively. In any event, the aggregate number of Shares to be held by New Hope Group (or such person(s) at its direction) upon conversion of the Convertible Bonds and exercise of the Options shall not exceed 1,243,000,000 Shares.

The Conversion Shares will rank pari passu in all respects with the Shares in issue as at the date of allotment and grant of the Conversion Shares.

Conversion period

The Convertible Bonds are convertible into Shares, in whole or in part and on multiple occasions, at any time during the period commencing from the date of issue of the Convertible Bonds up to and including the date falling 14 day prior to the maturity date of the Convertible Bonds at the then prevailing Conversion Price, as long as such conversion does not trigger mandatory general offer implications under the Takeovers Code.

Compulsory conversion

In the event the Company and New Hope Group or its affiliate enter into formal agreements in respect of the Possible Cooperation pursuant to which both parties agree to establish a lithium-ion battery joint venture, and the establishment and operations of such joint venture have successfully received approvals from relevant government and regulatory authorities, New Hope Group (or such person(s) at its direction) will be subject to compulsory conversion of all outstanding Convertible Bonds into Shares.

In the event the aforesaid compulsory conversion is not triggered within 12 months (or such longer period that as agreed by the Company and New Hope Group) from the date of issue of the Convertible Bonds, the Company has the right and New

Hope Group (or such person(s) at its direction) has the right to request the Company, to redeem all unconverted and outstanding Convertible Bonds held by New Hope Group (or such person(s) at its direction).

Convertible Bonds — Conditions precedent

Completion of the CB Formal Agreement is conditional upon the fulfillment of the following conditions precedent:

- (i) the entering into of the CB Formal Agreement;
- (ii) all necessary approvals from the Stock Exchange and the Listing Committee required to be obtained in respect of the proposed issue of the Convertible Bonds and the listing of the Conversion Shares from the conversion of the Convertible Bonds;
- (iii) all necessary waivers, consents and approvals required to be obtained on the part of the Company and New Hope Group in respect of the Convertible Bonds, and such waivers, consents and approvals shall be valid up to the date of the completion of the CB Formal Agreement; and
- (iv) other conditions precedent as stipulated in the CB Formal Agreement.

(B) Options

The indicative principal terms of the Options are summarised below:

Parties

- (i) The Company (as the grantor); and
- (ii) New Hope Group (or such person(s) at its direction) (as the grantee)

Consideration for the Options

HK\$100,000

Issue amount

No more than 1,026,000,000 Options

Exercise price

HK\$1.32 per Option Share, subject to customary adjustments for, among other matters, subdivision or consolidation of Shares etc.

Total number of Shares to be issued upon exercise of the Options

No more than 1,026,000,000 Option Shares, which represents approximately 15.44% of the total issued share capital of Company as at the date of this announcement. In any event, the aggregate number of Shares to be held by New Hope Group (or such person(s) at its direction) upon conversion of the Convertible Bonds and exercise of the Options shall not exceed 1,243,000,000 Shares.

The Option Shares will rank pari passu in all respects with the Shares in issue as at the date of allotment and grant of the Option Shares.

Exercise period

The Options are exercisable, in whole or in part and on multiple occasions, at any time during the period commencing from the date of grant of the Options up to and including the third anniversary of the date of grant of the Options, as long as such exercise does not trigger mandatory general offer implications under the Takeovers Code and the Convertible Bonds have been fully converted into Shares.

If the Convertible Bonds have not been fully converted into Shares within 12 months (or such longer period that as agreed by the Company and New Hope Group) from the date of grant of the Options, the Options will lapse.

Options — Conditions precedent

Completion of the Options Formal Agreement is conditional upon the fulfillment of the following conditions precedent:

- (i) the entering into of the Options Formal Agreement;
- (ii) all necessary approvals from the Stock Exchange required to be obtained in respect of the proposed grant of the Options and the listing of the Option Shares from the exercise of the Options;
- (iii) all necessary waivers, consents and approvals required to be obtained on the part of the Company and New Hope Group in respect of the Options, and such waivers, consents and approvals shall be valid up to the date of the completion of the Options Formal Agreement; and
- (iv) other conditions precedent as stipulated in the Options Formal Agreement.

OTHER SIGNIFICANT TERMS OF THE MEMORANDUM OF UNDERSTANDING

New Hope Group shall have 60 days from the date of the Memorandum of Understanding to conduct due diligence against the Group. The Company and New Hope Group shall use reasonable endeavours to negotiate the terms of and enter into the Formal Agreements within 60 days from the date of the Memorandum of Understanding or such longer period as agreed by the Company and New Hope Group. In the event no Formal Agreements are entered into by the Company and New Hope Group within 60 days from the date of the Memorandum of Understanding, and there has been no notification from either party to extend such period, the Memorandum of Understanding shall lapse.

The Board wishes to emphasise that no legally binding Formal Agreements have been entered into by the Company and New Hope Group as at the date of this announcement (save as to certain provisions thereof regarding pricing, maximum aggregate number of Shares to be held by New Hope Group (or such person(s) at its direction) upon conversion of the Convertible Bonds and the exercise of the Options, costs and expenses, confidentiality and other miscellaneous matters). As such, the transactions contemplated under the Memorandum of Understanding may or may not proceed. Shareholders and the potential investors of the Company are urged to exercise caution when dealing in the Shares.

The Company will make further announcement(s) as and when appropriate and comply with all applicable requirements under the GEM Listing Rules in the event that the Formal Agreements have been signed.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on Monday, 9 March 2015, pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading of the Shares with effect from 9:00 a.m. on Thursday, 12 March 2015.

DEFINITIONS

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

“Board”	the board of Directors
“CB Formal Agreement”	the formal agreement in respect of the Convertible Bonds to be entered into between the Company and New Hope Group (or such person(s) at its direction)
“Company”	Honbridge Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the GEM
“connected person(s)”	has the meaning ascribed to it in the GEM Listing Rules

“Conversion Price”	HK\$1.11 (subject to adjustments) per Conversion Share upon conversion of the Convertible Bonds
“Conversion Share(s)”	the Share(s) which may fall to be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds
“Convertible Bonds”	the two-year, zero coupon convertible bonds in principal amount of no less than HK\$240,870,000 and no more than HK\$1,379,730,000 to be issued by the Company to New Hope Group (or such person(s) at its direction) pursuant to the CB Formal Agreement
“Directors”	the directors of the Company
“Formal Agreements”	the CB Formal Agreement and the Options Formal Agreement
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	the listing committee of the Stock Exchange for considering applications for listing and the granting of listing
“Memorandum of Understanding”	the memorandum of understanding entered into between the Company and New Hope Group on 9 March 2015 in respect of the possible issue of Convertible Bonds and possible grant of the Options
“New Hope Group”	New Hope Group Co. Ltd (新希望集團有限公司), a limited liability company incorporated in the PRC
“Options”	options to be granted by the Company to New Hope Group (or such person(s) at its direction) pursuant to which up to 1,026,000,000 Option Shares with an exercise price of HK\$1.32 per Option Share (subject to adjustments) to be allotted and issued by the Company to New Hope Group (or such person(s) at its direction) pursuant to the Options Formal Agreement

“Options Formal Agreement”	the formal agreement in respect of the Options to be entered into between the Company and New Hope Group (or such person(s) at its direction)
“Option Shares”	the new Shares to be allotted and issued by the Company to New Hope Group (or such person(s) at its direction) upon the exercise of the Options
“Possible Cooperation”	the possible cooperation between the Company and New Hope Group pursuant to which the Company and New Hope Group intend to commence cooperation on new energy vehicle related businesses
“PRC”	the People’s Republic of China (which, for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan)
“SFO”	Securities and Futures Ordinance
“Share(s)”	the ordinary share(s) of HK\$0.001 each in the capital of the Company
“Shareholders”	holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial Shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“%”	per cent.

On behalf of the Board
Honbridge Holdings Limited
YEUNG Ho Ming
Company Secretary

Hong Kong, 11 March 2015

As at the date of this announcement, the Board comprises Mr. He Xuechu, Mr. Liu Wei, William and Mr. Shi Lixin as executive Directors; Mr. Ang Siu Lun, Lawrence and Mr. Yan Weimin as non-executive Directors and Mr. Chan Chun Wai, Tony, Mr. Fok Hon and Mr. Ma Gang as independent non-executive Directors.

This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the “GEM Listing Rules” for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website for at least 7 days from the day of its posting and on the Company’s website www.8137.hk.