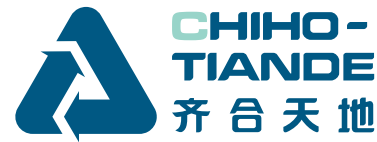


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*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of Chiho-Tiande Group Limited.*



**USUM INVESTMENT GROUP HONG KONG LIMITED**    **CHIHO-TIANDE GROUP LIMITED**  
*(Incorporated in Hong Kong with limited liability)*    *(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 976)**

### **JOINT ANNOUNCEMENT**

**(1) CLOSE OF UNCONDITIONAL MANDATORY GENERAL CASH OFFERS BY CHINA GALAXY INTERNATIONAL SECURITIES (HONG KONG) CO., LIMITED ON BEHALF OF THE OFFEROR TO ACQUIRE ALL OF THE ISSUED SHARES, ALL OUTSTANDING CONVERTIBLE BONDS AND IN EXCHANGE FOR CASH, TO CANCEL ALL OUTSTANDING SHARE OPTIONS OF CHIHO-TIANDE GROUP LIMITED (OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED BY THE OFFEROR AND ITS CONCERT PARTIES);**

**(2) RESULTS OF THE OFFERS;**

**(3) PUBLIC FLOAT;**

**AND**

**(4) CHANGE OF BOARD COMPOSITION**

**Financial Adviser to the Offeror**



**Independent Financial Adviser to the Independent Board Committee**



## **INTRODUCTION**

Reference is made to the announcement dated 4 January 2016 and the composite offer and response document dated 25 January 2016 jointly issued by Chiho-Tiande Group Limited and the Offeror in relation to, among other things, the unconditional mandatory general cash offers made by China Galaxy on behalf of the Offeror to acquire all issued Shares, all outstanding Convertible Bonds and in exchange for cash, to cancel all outstanding Share Options of the Company (other than those already owned or agreed to be acquired by the Offeror and its Concert Parties).

Unless stated otherwise, capitalised terms used herein shall have the same respective meanings as those defined in the Composite Document.

## **CLOSE OF THE OFFERS**

The Offers made by China Galaxy, on behalf of the Offeror, closed at 4:00 p.m. on Monday, 15 February 2016 and were not revised or extended by the Offeror.

## **RESULTS OF THE OFFERS**

As at 4:00 p.m. on Monday, 15 February 2016, being the latest time and date for acceptance of the Offers, the Offeror received valid acceptances in respect of a total of 109,597,925 Shares, representing approximately 6.90% of the issued share capital of the Company as at the date of this joint announcement. The Offeror did not receive any valid acceptance in respect of the Convertible Bonds.

Reference is made to the announcement of the Company dated 11 February 2016 made pursuant to Rule 3.8 of the Code in relation to the Option Offer. As certain employees of the Group who were Optionholders terminated their employment with the Group subsequent to the Latest Practicable Date, a total of 620,000 Share Options (corresponding to 620,000 new Shares) have lapsed pursuant to the terms of the Share Option Scheme. As at the date of this joint announcement, there were 1,568,000 Share Options (corresponding to 1,568,000 new Shares) granted by the Company pursuant to the Share Option Scheme and remain outstanding. In this regard, as at 4:00 p.m. on Monday, 15 February 2016, being the latest time and date for acceptance of the Offers, the Offeror did not receive any valid acceptance in respect of the Share Options.

## **SHAREHOLDING STRUCTURE OF THE COMPANY**

Immediately before the commencement of the Offer Period, the Offeror and its Concert Parties collectively held a total of 899,395,256 Shares, representing approximately 56.62% of the issued share capital of the Company. Other than the aforementioned, the Offeror and its Concert Parties did not hold any other rights over Shares immediately before the commencement of the Offer Period.

During the Offer Period, there were valid acceptances in respect of a total of 109,597,925 Shares, representing approximately 6.90% of the issued share capital of the Company. Accordingly, upon the close of the Offers and as at the date of this joint announcement, taking into account the 109,597,925 Shares received from valid acceptances under the Share Offer, the Offeror and its Concert Parties were interested in an aggregate of 1,008,993,181 Shares, representing approximately 63.52% of the issued share capital of the Company.

Save for the valid acceptances under the Offers as disclosed in this joint announcement, the Offeror and its Concert Parties (i) did not acquire or agree to acquire any Shares or any rights over Shares during the Offer Period; nor (ii) did they borrow or lend any relevant securities (as defined in Note 4 to Rule 22 of the Code) of the Company during the Offer Period.

The following table sets out the shareholding structure of the Company (i) immediately before the commencement of the Offer Period and (ii) immediately after the close of the Offers and as at the date of this joint announcement:

Shareholders	Immediately before the commencement of the Offer Period		Immediately after the close of the Offers and as at the date of this joint announcement	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
<b>The Offeror and its Concert Parties</b>				
– USUM Investment Group Hong Kong Limited	899,287,256	56.61	1,008,885,181	63.51
– Mr. Meng <sup>(1)</sup>	108,000	0.01	108,000	0.01
<b>Subtotal</b>	<b>899,395,256</b>	<b>56.62</b>	<b>1,008,993,181</b>	<b>63.52</b>
Good Union Hong Kong Investment Limited <sup>(2)</sup>	120,000,000	7.55	120,000,000	7.55
Tai Security Holding Limited <sup>(2)</sup>	110,197,990	6.94	110,197,990	6.94
<b>Subtotal</b>	<b>230,197,990</b>	<b>14.49</b>	<b>230,197,990</b>	<b>14.49</b>
Public Shareholders	458,921,460	28.89	349,323,535	21.99
<b>Subtotal</b>	<b>458,921,460</b>	<b>28.89</b>	<b>349,323,535</b>	<b>21.99</b>
<b>Total</b>	<b>1,588,514,706</b>	<b>100.00</b>	<b>1,588,514,706</b>	<b>100.00</b>

Notes:

1. Mr. Meng is also a director of USUM Group and is considered a Concert Party of the Offeror for the purpose of the Offers.
2. Both Good Union Hong Kong Investment Limited and Tai Security Holding Limited are wholly-owned by Mr. Zhang.

## **SETTLEMENT OF THE OFFERS**

Remittances in respect of the cash consideration (after deducting the sellers' ad valorem stamp duty, if applicable) payable for the Shares tendered under the Offers have been posted, or will be posted to the accepting Independent Shareholders at his/her/its own risk as soon as possible but in any event within seven Business Days of the date of receipt by the Registrar (as regards the Share Offer) or the company secretary of the Company (as regards the Convertible Bond Offer and the Option Offer) of all the relevant documents to render the acceptance under the Offers complete and valid.

The latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offers on Monday, 15 February 2016 will be Wednesday, 24 February 2016.

## **PUBLIC FLOAT**

Upon the close of the Offers, 349,323,535 Shares, representing approximately 21.99% of the issued share capital of the Company, are held by the public. Accordingly, as at the date of this joint announcement, the minimum public float requirement of 25.0% under Rule 8.08(1)(a) of the Listing Rules is not satisfied. The Company has made an application to the Stock Exchange for a temporary waiver from strict compliance with Rule 8.08(1)(a) of the Listing Rules for a period of three months commencing from the date of this joint announcement. The Offeror and the Company will use their best endeavors to restore the required minimum public float as early as practicable. Further announcement(s) will be made by the Company regarding the restoration of public float as and when appropriate.

## **CHANGE OF BOARD COMPOSITION**

Reference is made to the announcement of the Company dated 4 January 2016 wherein it was announced that the resignation of Mr. Fang would take effect from the earlier of (i) the Executive consenting to Mr. Fang's resignation; or (ii) the Closing Date. As the Offers were closed and were not revised or extended by the Offeror, the resignation of Mr. Fang is to become effective after the Closing Date. With effect from and immediately after the Closing Date, Mr. Tu was appointed and/or re-designated as Chief Executive Officer, Chairman of Executive Committee and Chairman of Pricing Committee of the Company. Please refer to the biographical details of Mr. Tu set out in the section headed "4. Information of the Offeror" in the "Letter from China Galaxy" in the Composite Document.

By order of the board of  
**USUM Investment Group Hong Kong Limited**  
**Chen Danni**  
*Director*

By order of the board of  
**Chiho-Tiande Group Limited**  
**Zhang Mingjie**  
*Executive Director*

Hong Kong, 15 February 2016

*As at the date of this announcement, the Board comprises four executive directors, being Mr. Tu Jianhua, Mr. Fang Ankong, Mr. Zhang Mingjie and Mr. Meng Yi, and three independent non-executive directors, being Dr. Loke Yu, Ms. Zhang Jingdong and Mr. Zhu Dajian. The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to the Offeror or any of its associates or any parties acting in concert with any of them) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by the Offeror or any of its associates or any parties acting in concert with any of them) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.*

*As at the date of this announcement, the sole director of the Offeror is Ms. Chen Danni and the directors of Loncin Group, the ultimate controller of the Offeror, are Ms. Tu Jianmin, Ms. Tu Jianrong and Mr. Tu Jianhua. The sole director of the Offeror and the directors of Loncin Group jointly and severally accept full responsibility for the accuracy of the information contained in this announcement (other than information relating to the Group) and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement (other than opinions expressed by the Group) have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.*