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**Hang Fat Ginseng Holdings Company Limited**  
**恒發洋參控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 911)**

- (1) COMPLETION OF SUBSCRIPTION AND PLACING OF NEW SHARES;**
- (2) CHANGE OF DIRECTORS;**
- (3) CHANGE OF CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER;**
- (4) CHANGE OF BOARD COMMITTEE MEMBERS; AND**
- (5) CHANGE OF AUTHORISED REPRESENTATIVE**

**COMPLETION OF THE SUBSCRIPTION**

The Board is pleased to announce that all the conditions precedent to the Subscription Agreement have been satisfied (or as the case may be, waived) and that the Subscription Completion took place on 17 May 2016.

**COMPLETION OF THE PLACING**

The Board is pleased to further announce that all the conditions precedent to the Placing Agreement have been fulfilled and that the Placing Completion took place on 17 May 2016.

**CHANGE OF DIRECTORS**

The Board announces that Ms. Fu Fung Sau has resigned as an executive Director and Mr. Wong Senta has resigned as an independent non-executive Director, both with effect from 17 May 2016 upon the Subscription Completion.

Mr. George Lu has been appointed as an executive Director; Mr. Wong Kwok Ming has been appointed as an executive Director; Ms. Shen Wei has been appointed as a non-executive Director; and Mr. Li Wei has been appointed as an independent non-executive Director, all with effect from 17 May 2016 upon the Subscription Completion.

#### **CHANGE OF CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER**

Mr. Yeung Wing Yan has resigned as the chairman of the Board and the chief executive officer of the Company with effect from 17 May 2016 upon the Subscription Completion (but shall remain as an executive Director). Mr. George Lu has been appointed as the chairman of the Board and the chief executive officer of the Company with effect from 17 May 2016 upon the Subscription Completion.

#### **CHANGE OF BOARD COMMITTEE MEMBERS**

Mr. Yeung Wing Yan has resigned as a member of the Remuneration Committee and the Nomination Committee, and Mr. Wong Senta has resigned as the chairman of each of the Remuneration Committee and the Nomination Committee, and a member of the Audit Committee, all with effect from 17 May 2016 upon the Subscription Completion.

Mr. George Lu has been appointed as a member of the Remuneration Committee and the Nomination Committee, and Mr. Li Wei has been appointed as the chairman of each of the Remuneration Committee and the Nomination Committee, and a member of the Audit Committee, all with effect from 17 May 2016 upon the Subscription Completion.

#### **CHANGE OF AUTHORISED REPRESENTATIVE**

Mr. Yeung Wing Yan has resigned as an Authorised Representative and Mr. George Lu has been appointed as an Authorised Representative, both with effect from 17 May 2016 upon the Subscription Completion.

Reference is made to the announcement (the “**Announcement**”) of Hang Fat Ginseng Holdings Company Limited (the “**Company**”) dated 29 February 2016 and the circular (the “**Circular**”) of the Company dated 18 April 2016 in relation to, among other things, (i) the Share Capital Increase; (ii) the Subscription; (iii) the Whitewash Waiver; and (iv) the Placing, and the announcement of the Company dated 6 May 2016 in relation to the poll results of the extraordinary general meeting and the grant of the Whitewash Waiver (the “**Poll Results Announcement**”). Capitalised terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise.

## **COMPLETION OF THE SUBSCRIPTION**

The Board is pleased to announce that all the conditions precedent to the Subscription Agreement set out under the sub-section headed “Conditions precedent” under the section headed “The Subscription” in the Letter from the Board of the Circular have been satisfied (or as the case may be, waived) and that the Subscription Completion took place on 17 May 2016. Upon the Subscription Completion, 31,200,000,000 Shares have been duly allotted and issued to the Subscriber at the Subscription Price of HK\$0.01 per Subscription Share under the Subscription. Accordingly, immediately after the Subscription Completion (but before the allotment and issue of the Placing Shares), there were 51,216,200,000 Shares in issue. The net proceeds from the Subscription (after deduction of expenses of the Subscription) are approximately HK\$300.9 million.

## **COMPLETION OF THE PLACING**

The Board is pleased to further announce that all the conditions precedent to the Placing Agreement set out under the sub-section headed “Conditions precedent” under the section headed “The Placing” in the Letter from the Board of the Circular have been fulfilled and that the Placing Completion took place on 17 May 2016. Upon the Placing Completion, an aggregate of 8,800,000,000 Shares have been successfully placed to not less than six Placees at the Placing Price of HK\$0.01 per Placing Share, and these Placing Shares have been duly allotted and issued as directed by the Placing Agent under the Placing. The net proceeds from the Placing (after deduction of commission and other expenses of the Placing) are approximately HK\$82.8 million.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, (i) each of the Placees and their respective ultimate beneficial owners, is an Independent Third Party; and (ii) none of the Placees has become a substantial shareholder (within the meaning of the Listing Rules) of the Company immediately upon the Placing Completion and the Subscription Completion.

Immediately after the Subscription Completion and the Placing Completion and as at the date of this announcement there were 60,016,200,000 Shares in issue.

## Effects on shareholding structure of the Company

The table below sets out the effects on the shareholding structure of the Company before and after the Subscription Completion and the Placing Completion.

	Immediately before both		At the date of this announcement		At the date of this announcement		At the date of this announcement		Immediately after both	
	Subscription Completion and		immediately after Subscription		immediately after Placing		immediately after both		Subscription Completion and	
	Placing Completion		Completion but before Placing		Completion but before		Subscription Completion and		Placing Completion (assuming the	
	Number of	approximate	Number of	approximate	Number of	approximate	Number of	approximate	Number of	approximate
	Shares	shareholding %	Shares	shareholding %	Shares	shareholding %	Shares	shareholding %	Shares	shareholding %
The Subscriber <sup>1</sup>	-	-	31,200,000,000	60.92	-	-	31,200,000,000	51.99	31,200,000,000	51.05
Cervera Holdings Limited <sup>2</sup>	589,620,000	2.95	589,620,000	1.15	589,620,000	2.05	589,620,000	0.98	589,620,000	0.96
Dragon Jump Global Limited <sup>3</sup>	182,790,000	0.91	182,790,000	0.36	182,790,000	0.63	182,790,000	0.30	182,790,000	0.30
Mr. Yeung Wing Yan <sup>4</sup>	25,000,000	0.12	25,000,000	0.05	25,000,000	0.09	25,000,000	0.04	45,000,000	0.07
Mr. Yeung Wing Kong <sup>5</sup>	-	-	-	-	-	-	-	-	20,000,000	0.03
Ms. Fu Fung Sau <sup>6 and 7</sup>	210,000,000	1.05	NA	NA	210,000,000	0.73	NA	NA	NA	NA
Mr. Wang Jian <sup>8</sup>	3,882,850,000	19.40	NA	NA	3,882,850,000	13.47	NA	NA	NA	NA
<b>Subtotal</b>	<b>4,890,260,000</b>	<b>24.43</b>	<b>31,997,410,000</b>	<b>62.48</b>	<b>4,890,260,000</b>	<b>16.97</b>	<b>31,997,410,000</b>	<b>53.31</b>	<b>32,037,410,000</b>	<b>52.41</b>
Other grantees of the Share										
Options <sup>9</sup>	-	-	-	-	-	-	-	-	1,046,800,000	1.71
Ms. Fu Fung Sau <sup>6 and 7</sup>	NA	NA	210,000,000	0.41	NA	NA	210,000,000	0.35	230,000,000	0.38
Mr. Wang Jian <sup>8</sup>	NA	NA	3,882,850,000	7.58	NA	NA	3,882,850,000	6.47	3,882,850,000	6.35
Places	-	-	-	-	8,800,000,000	30.54	8,800,000,000	14.66	8,800,000,000	14.40
Other existing Shareholders <sup>10</sup>	15,125,940,000	75.57	15,125,940,000	29.53	15,125,940,000	52.49	15,125,940,000	25.21	15,125,940,000	24.75
<b>Subtotal of public shareholders</b>	<b>15,125,940,000</b>	<b>75.57</b>	<b>19,218,790,000</b>	<b>37.52</b>	<b>23,925,940,000</b>	<b>83.03</b>	<b>28,018,790,000</b>	<b>46.69</b>	<b>29,085,590,000</b>	<b>47.59</b>
<b>Total</b>	<b>20,016,200,000</b>	<b>100</b>	<b>51,216,200,000</b>	<b>100</b>	<b>28,816,200,000</b>	<b>100</b>	<b>60,016,200,000</b>	<b>100</b>	<b>61,123,000,000</b>	<b>100</b>

Notes:

1. The Subscriber is wholly owned by George Lu, who is a Director.
2. Cervera Holdings Limited is an investment holding company incorporated under the laws of the British Virgin Islands with limited liability. 589,620,000 Shares were held by Cervera Holdings Limited, which in turn is directly held as to 63%, 30% and 7% by Mr. Yeung Wing Yan, Mr. Yeung Wing Kong and Ms. Fu Fung Sau, our Directors, respectively.
3. Dragon Jump Global Limited is an investment holding company incorporated under the laws of the British Virgin Islands with limited liability. 182,790,000 Shares were held by Dragon Jump Global Limited, which in turn is directly wholly owned by Mr. Yeung Wing Kong, our Director.
4. Mr. Yeung Wing Yan was granted 20,000,000 Share Options on 6 January 2015.
5. Mr. Yeung Wing Kong was granted 20,000,000 Share Options on 6 January 2015.

6. *Ms. Fu Fung Sau was granted 20,000,000 Share Options on 6 January 2015.*
7. *Immediately before the Subscription Completion, Ms. Fu Fung Sau was an executive Director. With effect from 17 May 2016 upon the Subscription Completion, Ms. Fu Fung Sau resigned and her holding in the Shares is considered to be Shares held in public.*
8. *Pursuant to the relevant shareholding disclosure notices downloaded on the date of this announcement from the website of the Stock Exchange, these Shares were held by Wang Jian.*
9. *Employees of the Company (other than the executive Directors) and other eligible grantees were granted in aggregate 1,046,800,000 Share Options on 6 January 2015.*
10. *Other existing Shareholders means existing Shareholders other than the Directors, companies controlled by the Directors, the Subscriber, Wang Jian and the Placees.*

## **CHANGE OF DIRECTORS**

The Board announces that Ms. Fu Fung Sau has resigned as an executive Director and Mr. Wong Senta has resigned as an independent non-executive Director, both with effect from 17 May 2016 upon the Subscription Completion. Each of Ms. Fu Fung Sau and Mr. Wong Senta has confirmed that her/his resignation was due to her/his intention to concentrate on her/his own business engagement. Each of Ms. Fu Fung Sau and Mr. Wong Senta has confirmed that neither of them has any disagreement with the Board and that neither of them is aware of any matter in relation to her/his resignation that needs to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to express its gratitude to Ms. Fu Fung Sau and Mr. Wong Senta for their contribution to the Company during their terms of office.

The Board is pleased to announce, all with effect from 17 May 2016 upon the Subscription Completion, the following appointments by the Board: (i) Mr. George Lu as an executive Director; (ii) Mr. Wong Kwok Ming as an executive Director; (iii) Ms. Shen Wei as a non-executive Director; and (iv) Mr. Li Wei as an independent non-executive Director (collectively, the “**New Directors**”).

The biographical details of the New Directors are set out below:

### ***EXECUTIVE DIRECTORS***

#### **Mr. George Lu**

Mr. George Lu, aged 53, has more than fifteen years of entrepreneurial experience in strategic planning and general management of trading and manufacturing companies. Mr. George Lu is the founder, director and chairman of Goldenmars Technology Holdings Limited, a company whose shares are listed on the Stock Exchange (stock code: 3638) (“**Goldenmars**”), and is responsible for its overall management, operations and strategic development.

Mr. George Lu entered into a service contract with the Company, pursuant to which he was appointed as an executive Director for a term of three years commencing from 17 May 2016 and is subject to retirement by rotation and is eligible for re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Pursuant to his service contract, Mr. George Lu shall be entitled to a remuneration of HK\$600,000 per annum, which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions. Mr. George Lu is not entitled to any fee for serving as the chairman of the Board and the chief executive officer of the Company.

Mr. George Lu was also appointed as a director of various subsidiaries of the Company, namely, Hang Fat Ginseng (2014) Limited, Hang Fat Ginseng Global Importer Limited, Hang Fat Ginseng Trading Company Limited, Long Xi (Hong Kong) Company Limited, Hang Fat Ginseng (Retail) Limited, Hang Fat Wild Ginseng Limited, Hang Fat Ginseng (Hong Kong) Company Limited, Hang Fat Ginseng Enterprise Limited, Hang Fat Wild Ginseng Enterprises Limited, Hang Fat Holdings Limited, Hang Fat Ginseng Company Limited, Hang Fat Ginseng Development Company Limited, Flying Century Limited, Fortune Gaining Limited, Greatest Summit Limited, Greatest Maker Limited, Luck Power (Hong Kong) Limited, Luck Power Development Limited, Fortune Topping Limited, Hang Fat Group Holdings Limited, Sparkling Square Holdings Company Limited, Union Field Assets Limited, Elegant Ocean Limited, Billion Wealth Overseas Limited, Wealthy Harvest Enterprises Limited and Top Nova Limited, with effect from the Subscription Completion.

Mr. George Lu and Ms. Shen Wei are husband and wife. Mr. George Lu is the sole shareholder and the sole director of the Subscriber. Upon the Subscription Completion, Mr. George Lu is interested in 31,200,000,000 Shares, through the Subscriber. The approximate percentages that these shares represent in the issued share capital of the Company are shown in the table setting out the effects on shareholding structure of the Company in this announcement.

### **Mr. Wong Kwok Ming**

Mr. Wong Kwok Ming, aged 39, has more than 17 years of experience in the areas of auditing, accounting, taxation, capital markets, business advisory and corporate finance covering various industry sectors. Mr. Wong Kwok Ming possesses a Master Degree in Accounting from Curtin University of Technology and is a Practicing Certified Public Accountant of the Hong Kong Institute of Certified Public Accountants. Mr. Wong Kwok Ming has worked at PricewaterhouseCoopers Hong Kong for over 10 years in audit and assurance department with his last position as senior manager and has worked at a well-established and sizable manufacturing company as the chief financial officer after he left PricewaterhouseCoopers Hong Kong. Mr. Wong Kwok Ming is the chief financial officer and company secretary of Goldenmars, and is responsible for the overall financial and accounting affairs, treasury management, risk management and the overall company secretarial matters.

Mr. Wong Kwok Ming entered into a service contract with the Company, pursuant to which he was appointed as an executive Director for a term of three years commencing from 17 May 2016 and is subject to retirement by rotation and is eligible for re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Pursuant to his service

contract, Mr. Wong Kwok Ming shall be entitled to a remuneration of HK\$360,000 per annum, which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

### ***NON-EXECUTIVE DIRECTOR***

#### **Ms. Shen Wei**

Ms. Shen Wei, aged 52, has more than twelve years of experience in general administration management of trading business. Ms. Shen Wei studied Pharmacology at the China Pharmaceutical University and graduated with a Bachelor of Science degree in 1987. Ms. Shen Wei also obtained a Master of Science degree in Toxicology from the University of New Mexico in 1991 and worked as a postgraduate researcher in the School of Pharmacy, Department of Pharmacy of the University of California, San Francisco from 1991 to 1994. She is a founder and an executive director of Goldenmars, and is responsible for the financial and administrative management of Goldenmars.

Ms. Shen Wei was appointed as a non-executive Director for a term of two years commencing from 17 May 2016 and is subject to retirement by rotation and is eligible for re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Pursuant to her service contract, Ms. Shen Wei shall be entitled to a remuneration of HK\$360,000 per annum, which was determined with reference to her duties and responsibilities with the Company and the prevailing market conditions.

Mr. George Lu and Ms. Shen Wei are husband and wife. Upon the Subscription Completion, Ms. Shen Wei is deemed to be interested in 31,200,000,000 Shares which are beneficially owned by Mr. George Lu. The approximate percentages that these shares represent in the issued share capital of the Company are shown in the table setting out the effects on shareholding structure of the Company in this announcement.

### ***INDEPENDENT NON-EXECUTIVE DIRECTOR***

#### **Mr. Li Wei**

Mr. Li Wei, aged 61, has over twenty years of experience in establishing and operating businesses in Asia, and particularly in Hong Kong and China. Mr. Li Wei was educated in China, Germany and Australia. He has been an independent non-executive director of VST Holdings Limited, a company whose shares are listed on the Stock Exchange (stock code: 856) since 2007.

Mr. Li Wei was appointed as an independent non-executive Director for a term of two years commencing from 17 May 2016 and is subject to retirement by rotation and is eligible for re-election at the annual general meeting of the Company in accordance with the articles of association of the Company. Mr. Li Wei shall be entitled to a remuneration of HK\$176,000 per annum, which was determined with reference to his duties and responsibilities with the Company and the prevailing market conditions.

Save as disclosed herein and as at the date of this announcement, none of Mr. George Lu, Mr. Wong Kwok Ming, Ms. Shen Wei and Mr. Li Wei: (i) has any interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571), (ii) has any relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company, (iii) has held any directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; and (iv) holds any other positions with the Company and its subsidiaries.

Save as disclosed above and as at the date of this announcement, there is no information that is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and the Board is not aware of any other matter that needs to be brought to the attention of the Shareholders in relation to the appointment of Mr. George Lu, Mr. Wong Kwok Ming, Ms. Shen Wei and Mr. Li Wei as Directors.

### **CHANGE OF CHAIRMAN OF THE BOARD AND CHIEF EXECUTIVE OFFICER**

The Board announces that Mr. Yeung Wing Yan has resigned as the chairman of the Board and the chief executive officer of the Company with effect from 17 May 2016 upon the Subscription Completion (but shall remain as an executive Director). Mr. George Lu has been appointed as the chairman of the Board and the chief executive officer of the Company, with effect from 17 May 2016 upon the Subscription Completion.

### **CHANGE OF BOARD COMMITTEE MEMBERS**

The Board announces that Mr. Yeung Wing Yan has resigned as a member of the remuneration committee of the Company (the “**Remuneration Committee**”) and the nomination committee of the Company (the “**Nomination Committee**”), and Mr. Wong Senta has resigned as the chairman of each of the Remuneration Committee and the Nomination Committee, and a member of the audit committee of the Company (the “**Audit Committee**”), all with effect from 17 May 2016 upon the Subscription Completion.

Mr. George Lu has been appointed as a member of the Remuneration Committee and the Nomination Committee, and Mr. Li Wei has been appointed as the chairman of each of the Remuneration Committee and the Nomination Committee, and a member of the Audit Committee, all with effect from 17 May 2016 upon the Subscription Completion.



## **CHANGE OF AUTHORISED REPRESENTATIVE**

The Board further announces that Mr. Yeung Wing Yan has resigned as an authorised representative of the Company under Rule 3.05 of the Listing Rules (“**Authorised Representative**”) and Mr. George Lu has been appointed as an Authorised Representative, both with effect from 17 May 2016 upon the Subscription Completion.

By order of the Board  
**Hang Fat Ginseng Holdings Company Limited**  
**George Lu**  
*Chairman and Chief Executive Officer*

Hong Kong, 17 May 2016

*As at the date of this announcement, the executive Directors are Mr. George Lu, Mr. Yeung Wing Yan, Mr. Yeung Wing Kong and Mr. Wong Kwok Ming; the non-executive Director is Ms. Shen Wei and the independent non-executive Directors are Mr. Yuen Chee Lap Carl, Mr. Wu Wai Leung Danny and Mr. Li Wei.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement 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.*