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**南海控股有限公司\***  
NAN HAI CORPORATION LIMITED  
(Incorporated in Bermuda with limited liability)  
(Stock Code: 680)

## **DISCLOSEABLE TRANSACTION IN RELATION TO THE SUBSCRIPTION OF SHARES IN SUNNY BANK**

The Board is pleased to announce that on 8 August 2017, the Company has subscribed 50,000,000 new Sunny Bank Shares (representing approximately 2.4% of the total issued share capital of Sunny Bank as enlarged after the Subscription) to be issued and allotted by Sunny Bank at a total consideration of NT500,000,000 (equivalent to approximately HK\$131,200,000) (exclusive of transaction costs), which has been settled and paid in cash by the Company.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Subscription exceed(s) 5% but is/are less than 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

### **THE SUBSCRIPTION**

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The subscription price of NT10 per Sunny Bank Share is the unified price of Sunny Bank for its public offering of shares. Having considered the growth potential of Taiwan economy, the great development prospect of the financial industry as well as the operating strategy and stable financial performance of Sunny Bank, the Company believes the price is reasonable with favourable investment value.

\* For identification purpose only

To the best of the Board’s knowledge, information and belief having made all reasonable enquiry, Sunny Bank and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

## **INFORMATION OF THE PARTIES**

### **Sunny Bank**

Sunny Bank is a limited liability company incorporated in Taiwan. Sunny Bank is principally engaged in providing commercial banking and related financial services (including deposit-taking, provision of loans and wealth management business) in Taiwan.

Set out below is the audited consolidated financial information of Sunny Bank and its subsidiaries for the two financial years ended 31 December 2015 and 31 December 2016 prepared in accordance with International Financial Reporting Standards.

	<b>For the year ended 31 December 2015 (NT’000)</b>	<b>For the year ended 31 December 2016 (NT’000)</b>
Net profits/(loss) before taxation	2,396,864	2,723,818
Net profits/(loss) after taxation	2,057,272	2,339,018

Based on the audited financial statements of Sunny Bank, the consolidated net assets of Sunny Bank and its subsidiaries as at 31 December 2015 was approximately NT20,845,280,000 and the consolidated net assets of Sunny Bank and its subsidiaries as at 31 December 2016 was approximately NT23,778,670,000.

### **The Company**

The Company is an investment holding company whose securities are listed and traded on the Main Board of the Stock Exchange. The Group is principally engaged in (i) culture and media services (mainly in cinemas business on a nationwide basis in the PRC in addition to film distribution and other media related businesses); (ii) property development; and (iii) corporate IT application services (through its listed subsidiary, Sino-i Technology Limited (stock code: 250), a company having its shares listed and traded on the Main Board of the Stock Exchange) as at the date of this announcement. In 2015, the Group also started to tap into new business segments such as “New Media” and “Innovative Business” and sparing no effort to make them as the new growth points for the Group.

## **REASONS FOR THE SUBSCRIPTION**

The Company is optimistic about the economy development prospect and investment environment of Taiwan in the long run. As the initial investment of the Company in Taiwan, the project has undergone careful analysis and assessment. The Company believes such investment will bring expectable return. In the future, the Company will keep a close eye on the investment opportunity in the capital market of Taiwan and actively identify strategic investment opportunity for the interest of the Company and its shareholders with an aim to consolidate the business of its existing segments.

The Directors are of the opinion that the terms of the Subscription are fair and reasonable and in the interests of the Company and its shareholders as a whole.

## **IMPLICATION UNDER THE LISTING RULES**

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the transactions contemplated under the Subscription exceed(s) 5% but is/are less than 25%, the Subscription constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## **DEFINITIONS**

In this announcement, unless the contents otherwise requires, the following expressions have the meanings as set out below:

“Board”	the board of Directors
“China” or “PRC”	the People’s Republic of China, for the purposes of this announcement, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Company”	Nan Hai Corporation Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed and traded on the Stock Exchange (stock code: 680)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“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 People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“NT”	New Taiwan dollars, the lawful currency of Taiwan

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of an aggregate of 50,000,000 new Sunny Bank Shares by the Company
“Sunny Bank”	Sunny Bank Ltd. 陽信商業銀行股份有限公司, a company established in Taiwan with limited liability
“Sunny Bank Shares”	the shares of Sunny Bank
“%”	per cent.

By the order of the Board  
**Nan Hai Corporation Limited**  
**Liu Rong**  
*Executive Director*

Hong Kong, 8 August 2017

*As at the date of this announcement, the Directors are as follows:*

<i>Executive Directors:</i>	<i>Non-executive Director:</i>	<i>Independent non-executive Directors:</i>
Mr. Yu Pun Hoi Ms. Liu Rong Mr. Lung King Cheong	Mr. Lam Bing Kwan	Mr. Lau Yip Leung Mr. Xiao Sui Ning Mr. Ho Yeung Nang