



(Company Registration No. 198402850E)  
(Incorporated in the Republic of Singapore)

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## PROPOSED DUAL PRIMARY LISTING ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED – RECEIPT OF APPROVAL-IN-PRINCIPLE AND INFORMATION ON BRIDGING ARRANGEMENT

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The board of directors ("**Directors**") (the "**Board**") of Weiye Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the Company's announcements dated 20 October 2015, 30 November 2015, 22 December 2015, 24 December 2015, 1 March 2016, 11 March 2016 and 14 March 2016 in relation to the proposed dual primary listing of the Company's ordinary shares on the main board of the Stock Exchange of Hong Kong Limited (the "**SEHK**") (the "**Listing**"). Unless the context otherwise requires, all capitalised terms not defined herein shall have the same meanings ascribed to them in the Company's announcement dated 1 March 2016.

### (A) Receipt of approval in-principle of the Listing Committee of the SEHK

The Company is pleased to inform its shareholders ("**Shareholders**") that the Listing Committee of the SEHK has on 22 March 2016 granted its approval in-principle for the Listing (the "**AIP**").

**The Company wishes to highlight to Shareholders and other investors that the Listing is still subject to the fulfilment of certain conditions under the AIP, including the granting of the final approval for the listing of, and permission to deal in, the Shares on the Main Board of the SEHK by the Listing Committee of the SEHK. There is no assurance that the final approval for the Listing will be granted, and the indicative date of the Listing may change and the Listing may or may not occur.**

Subject to the formal and final approval of the SEHK to the Listing, the Company expects to issue its listing document in connection with the Listing (the "**Listing Document**") and post the same on the website of the SEHK at [www.hkexnews.hk](http://www.hkexnews.hk) on Tuesday, 29 March 2016, and for trading of the Shares to commence on the SEHK at 9.00 a.m. (Hong Kong time) on Wednesday, 6 April 2016.

### (B) Information on the Bridging Arrangement

In connection with the Listing, Macquarie Capital Limited (the "**Bridging Dealer**") and KGI Securities (Hong Kong) Limited (the "**Alternate Bridging Dealer**") have been appointed as bridging dealer and alternate bridging dealer, respectively and intend to implement certain bridging arrangements. The bridging arrangements are intended to facilitate the migration of Shares to the Hong Kong Branch Share Register in order for an open market in the Shares to develop in Hong Kong following the Listing.

In connection with the bridging arrangements, stock borrowing and lending agreements ("**Stock Borrowing and Lending Agreements**") entered into between Mr. Zhang Wei (the "**Lender**") and

each of the Bridging Dealer and the Alternate Bridging Dealer on 23 March 2016 which will come into effect from the first day of the period of 30 calendar days from and including the first day of the Listing (the "**Bridging Period**"). Pursuant to the stock borrowing arrangements under such agreements, the Lender will make available to the Bridging Dealer and the Alternate Bridging Dealer stock lending of 48,000,000 Shares representing approximately 24.5% Shares in issue, on one or more occasions, subject to applicable laws, rules and regulations in Singapore and Hong Kong, including without limitation that the lending and the subsequent acceptance of redelivery of any Shares by the Lender, and the borrowing and the subsequent redelivery of any Shares by the Bridging Dealer and the Alternate Bridging Dealer, will not lead to any of the Lender, the Bridging Dealer and the Alternate Bridging Dealer being obliged to make a mandatory general offer under the Takeovers Code and/or the Singapore Code. In this regard, in compliance with the Singapore Code, the Stock Borrowing and Lending Agreements provide, *inter alia*, the right for the Lender to recall the borrowed Shares by giving advance notice of seven (7) days.

It is expected that, upon the Listing and during the Bridging Period, the Bridging Dealer (and/or its affiliates authorised to carry out arbitrage activities), on its own account, will seek to undertake, or request the Alternate Bridging Dealer to undertake arbitrage activities to contribute to the liquidity of trading in the Shares in the Hong Kong market upon the Listing as well as to reduce potential material divergence between Share prices in the Hong Kong and Singapore markets during the Bridging Period, including but not limited to:

- (a) conducting arbitrage trades in line with market practice in the context of dual listed stocks during the Bridging Period when: (1) there is a concurrent availability of the securities on both the SGX-ST and Stock Exchange; and (2) there is a meaningful Share price differential between the Hong Kong and Singapore markets (as determined by the Bridging Dealer) to contribute towards trading liquidity; and
- (b) building a sufficient inventory of securities in Hong Kong to enable it to carry out arbitrage, bridging and/or trading activities during the Bridging Period.

The Alternate Bridging Dealer will only undertake arbitrage activities at the request of the Bridging Dealer.

For further information on the bridging arrangements, please refer to Appendix A to this announcement.

**As the Listing is subject to, *inter alia*, the approval of the SEHK and other relevant authorities, the Listing may or may not occur. There is no assurance that approval of the SEHK and other relevant authorities for the Listing and the listing of, and permission to deal in, the Shares on the Main Board of the SEHK will be granted. The information relating to the Listing in this announcement is also subject to change. The Company will make announcements as necessary to keep Shareholders updated on any material developments.**

**Shareholders and other investors are advised to exercise caution when trading in the Shares. In the event that the Shareholders and other investors are in doubt, they should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.**

By Order of the Board  
**WEIYE HOLDINGS LIMITED**

Zhang Wei  
Executive Chairman

23 March 2016

## APPENDIX A

### INFORMATION ON BRIDGING ARRANGEMENTS

#### **I. INTENDED ARBITRAGE ACTIVITIES DURING THE BRIDGING PERIOD**

It is expected that, upon the Listing and during the Bridging Period, the Bridging Dealer (and/or its affiliates authorised to carry out arbitrage activities), on its own account will seek to undertake, or request the Alternate Bridging Dealer to undertake arbitrage activities in the circumstances described below. The Alternate Bridging Dealer will only undertake arbitrage activities at the request of the Bridging Dealer.

Certain trades envisaged to be carried out by the Bridging Dealer and the Alternate Bridging Dealer during the Bridging Period may constitute covered short selling (or be deemed to constitute short selling) under applicable Hong Kong laws and regulations. The Rules of the Exchange prohibit short selling save for short selling of Designated Securities (as defined in the Rules of the Exchange) during the Continuous Trading Period (as defined in the Rules of the Exchange). In this regard, the Sole Sponsor, on behalf of the Bridging Dealer and the Alternate Bridging Dealer, applied to the Stock Exchange for, and the Stock Exchange has granted an exemption, to permit the Bridging Dealer and the Alternate Bridging Dealer to conduct the proposed trading activities described below which may constitute (or may be deemed to constitute) short selling of securities during the pre-opening session (defined in the Rules of the Exchange as being from 9:00 a.m. Hong Kong time to the commencement of the morning trading session at 9:30 a.m. Hong Kong time) (the "**Pre-Opening Session**") and the Continuous Trading Session (as defined in the Rules of the Exchange) in circumstances where the Shares are not Designated Securities (as defined in the Rules of the Exchange).

In addition, the Sole Sponsor, on behalf of the Bridging Dealer and the Alternate Bridging Dealer, applied to the Stock Exchange for, and the Stock Exchange has granted an exemption (i) to permit short selling of the Shares during the Pre-Opening Session to allow the Bridging Dealer and the Alternate Bridging Dealer to conduct such short selling transactions of the Shares during the Pre-opening Session within the Bridging Period; and (ii) from the provision of the Rules of the Exchange that a short sale shall not be made on the Stock Exchange below the best current ask price except where the Designated Security is a Market Making Security (as defined in the Rules of the Exchange) approved by the SFC to be excluded from the application of this provision.

No person other than the Bridging Dealer and the Alternate Bridging Dealer (including their affiliates authorized to carry out arbitrage activities) will be permitted to enter into a short sale of the Shares on the Stock Exchange during the Bridging Period or thereafter unless the Shares are designated for short selling by the Stock Exchange. Upon the expiry of the Bridging Period, the Bridging Dealer and the Alternate Bridging Dealer will not be able to engage in further arbitrage activities in respect of the Shares on the Stock Exchange which constitutes short selling in reliance on the above said exemption.

Such arbitrage activities are expected to contribute to the liquidity of trading in the Shares in the Hong Kong market upon the Listing as well as to reduce potential material divergence between Share prices in the Hong Kong and Singapore markets:

1. The Bridging Dealer (and/or its affiliates authorised to carry out arbitrage activities) will seek to carry out or request the Alternate Bridging Dealer to carry out arbitrage trades in line with market practice in the context of dual listed stocks. The arbitrage trades are envisaged to be carried out where there exists a meaningful price differential between prices of Shares quoted on the Stock Exchange and those quoted on the SGX-ST (as determined by the Bridging Dealer). In relation to the Listing, it is envisaged that a typical arbitrage trade would be executed if and when prices of Shares quoted on the Stock Exchange are meaningfully higher than those on the SGX-ST, in which case the Bridging Dealer or the Alternate Bridging Dealer will seek to purchase Shares at the lower price in Singapore and sell Shares at the higher price in Hong Kong. The typical cost of executing an arbitrage trade is minimal and should constitute a small percentage of the Share price. In the Hong Kong context, the typical cost comprises stamp duty (0.1%), trading fee (0.005%) and transaction levy (0.0027%) while in the Singapore context, there is a clearing fee (0.0325%) and trading fee (0.0075%). Nonetheless, as the Bridging Dealer or the Alternate Bridging Dealer envisage, for arbitrage trades to occur, the Share price differential would need to exceed such transaction costs and the risk premium as perceived by the Bridging Dealer or the Alternate Bridging Dealer (as appropriate) (including but not limited to factors such as price volatility and market liquidity on both markets).

The Bridging Dealer or the Alternate Bridging Dealer intend to carry out arbitrage trades where (a) there exists a meaningful Share price differential between the Hong Kong and Singapore markets (as determined by the Bridging Dealer), and (b) the Bridging Dealer or the Alternate Bridging Dealer are able to purchase sufficient quantities of Shares to address such price differentials when they arise and to contribute towards trading liquidity to a meaningful extent. The bridging arrangements and the roles of the Bridging Dealer and the Alternate Bridging Dealer will terminate and cease at the expiry of the Bridging Period.

2. For the Bridging Dealer or the Alternate Bridging Dealer to contribute meaningfully towards the liquidity of trading in the Shares on the Hong Kong market, there should be no trading or exchange disruption in, or early closure (other than due to different trading hours) of, one or both stock exchanges. There should be concurrent availability of Shares on both stock exchanges. Each of the Bridging Dealer and the Alternate Bridging Dealer entered into the Stock Borrowing and Lending Agreements with Mr. Zhang Wei, one of the Controlling Shareholders, to ensure that they will have ready access to appropriate quantities of Shares for settlement purposes upon Listing and during the Bridging Period.
3. Stock Borrowing and Lending Agreements entered into between Mr. Zhang Wei (the “**Lender**”) and each of the Bridging Dealer and the Alternate Bridging Dealer which will come into effect from the first day of the Bridging Period. Pursuant to the stock borrowing arrangements under such agreements, the Lender will make available to the Bridging Dealer and the Alternate Bridging Dealer stock lending of 48,000,000 Shares representing approximately 24.5% Shares in issue, on one or more occasions, subject to applicable laws, rules and regulations in Singapore and Hong Kong, including without limitation that the lending and the subsequent acceptance of redelivery of any Shares by the Lender, and the borrowing and the subsequent redelivery of any Shares by the Bridging Dealer and the Alternate Bridging Dealer, will not lead to any of the Lender, the Bridging Dealer and the Alternate Bridging Dealer being obliged to make a mandatory general offer under the Takeovers Code and/or the Singapore Code. In this regard, in

compliance with the Singapore Code, the Stock Borrowing and Lending Agreements provide, inter alia, the right for the Lender to recall the borrowed Shares by giving advance notice of seven (7) days.

Pursuant to the stock borrowing arrangements under such agreements, the borrowed Shares of 48,000,000 Shares will be allocated as to 43,000,000 Shares to the Bridging Dealer and 5,000,000 Shares to the Alternate Bridging Dealer. Such borrowed Shares will be used for settlement in connection with the arbitrage trades carried out by the Bridging Dealer and the Alternate Bridging Dealer in Hong Kong. These Shares will have been registered on the Hong Kong Branch Share Register prior to the Listing. The total number of Shares subject to such stock borrowing arrangement is significantly in excess of the aggregate of the daily trading volumes of the Shares on the SGX-ST for the 15 trading days immediately before and up to the Latest Practicable Date.

The Stock Borrowing and Lending Agreements provide, inter alia, that all of the Shares borrowed shall be returned to the Lender not later than 25 Business Days after the expiry of the Bridging Period. To close out the borrowed positions, it is proposed that the Bridging Dealer and the Alternate Bridging Dealer may purchase Shares on the SGX-ST or use any unutilised Shares registered on the Hong Kong Branch Share Register and transfer such Shares to the Lender. If necessary, the Bridging Dealer and the Alternate Bridging Dealer may repeat the process or alternatively may purchase Shares from the SGX-ST or the Stock Exchange, in order to provide additional liquidity to meet demand for the Shares in the Hong Kong market during the Bridging Period.

4. Additionally, to facilitate the role of the Bridging Dealer commencing from the pre-opening period (9:00 a.m. to 9:30 a.m.) on the first day of the Listing, it is proposed that the Bridging Dealer will make arrangement to build up a small inventory of Shares prior to the commencement of trading. There is a sale and repurchase agreement between Mr. Zhang Wei (the “**Vendor**”) and the Bridging Dealer for the sale of 1,960,000 Shares by the Vendor as vendor to the Bridging Dealer, at a sale price based on the closing price of the Shares quoted on the SGX-ST on the date immediately before the day of the sale and repurchase agreement (the “**Sale**”). Conditional upon the Bridging Dealer acquiring the Shares under the Sale, the Bridging Dealer must sell, and the Vendor must repurchase, the equivalent number of Shares the Vendor sold under the Sale, at the same price as such Shares were sold, shortly after the expiry of the Bridging Period (the “**Repurchase**”). The sale and repurchase agreement will provide that the Repurchase must take place not later than 25 Business Day after the expiry of the Bridging Period and upon prior written notice given at least three Business Days in advance by the Bridging Dealer to the Vendor.
5. The purpose of the sale and repurchase agreement is to facilitate the Bridging Dealer in contributing towards the trading liquidity in the Shares on the Hong Kong market, by making available a quantity of Shares to facilitate arbitrage trades during the Bridging Period. Under the arrangement described in paragraph 4 above, the Vendor will maintain a neutral position in respect of its shareholdings in the Company.
6. The Bridging Dealer and the Alternate Bridging Dealer will continue to replenish its Share inventory while carrying out the arbitrage trades. When a buy order has been executed on the Singapore market and a sale order has been executed on the Hong Kong market, the Bridging Dealer and the Alternate Bridging Dealer will instruct the Singapore Principal Share Registrar to transfer Shares purchased on the Singapore market to Hong Kong to

replenish its Share inventory for further trading. While such transfer of Shares takes place, the Bridging Dealer and the Alternate Bridging Dealer will utilise Shares borrowed under the Stock Borrowing and Lending Agreement for settlement of the sale made in Hong Kong.

7. The Bridging Dealer and the Alternate Bridging Dealer have each set up a designated dealer identity number, solely for the purposes of carrying out arbitrage trades under this exercise in Hong Kong, in order to ensure identification and thereby enhance transparency of such trades on the Hong Kong market. Such designated dealer identity numbers will be disclosed as soon as practicable by way of an announcement on both the Stock Exchange and the SGX-ST, and on the website of the Company as an before the first day of the Bridging Period. The Bridging Dealer has also set up another designated dealer identity number, which will only be used in emergencies and unforeseen situations if the aforesaid identity number for arbitrage trades cannot be used.
8. The Bridging Dealer and the Alternate Bridging Dealer entered into such bridging arrangements (including the arbitrage activities) on a voluntary basis with a view to contributing towards the liquidity of the Shares on the Hong Kong market, and intends for such bridging arrangements to constitute proprietary transactions.

It is emphasised that other than the Bridging Dealer and the Alternate Bridging Dealer, arbitrage activities and bridging arrangements may be carried out by market participants who have access to the Shares. Also, other existing Shareholders who might have transferred part or all of their shareholdings from Singapore to Hong Kong upon the commencement of trading (or thereafter) can also carry out arbitrage trades in the Shares. Such activities will depend on the extent of price differentials between the two stock exchanges, and the number of market participants (other than the Bridging Dealer and the Alternate Bridging Dealer) who elect to enter into such arbitrage activities and bridging arrangements.

The arbitrage activities of the Bridging Dealer and the Alternate Bridging Dealer and any persons acting for it will be entered into in accordance with all applicable laws, rules and regulations. The bridging arrangements being implemented in connection with the Listing are not equivalent to the price stabilisation activities that may be undertaken in connection with an initial public offering. In addition, the Bridging Dealer and the Alternate Bridging Dealer are not acting as markets maker and do not undertake to create or make a market in Shares on the Hong Kong market.

It should be noted that each of the Bridging Dealer and the Alternate Bridging Dealer and any persons acting for it may, in connection with the proposed liquidity activities, maintain a long position in the Shares. There is no certainty regarding the extent, time or the period for which each of the Bridging Dealer and the Alternate Bridging Dealer and any persons acting for it may maintain such a long position in the Shares. The liquidation of any such long position by the Bridging Dealer and the Alternate Bridging Dealer or any persons acting for it may have an adverse impact on the market price of the Shares.

## **II. SPREAD OF SHAREHOLDINGS**

It is expected that the following measures and factors will assist in creating and/or improving the spread of holdings of the Shares available for trading on the Stock Exchange following the Listing:

- As the Shares are of one and the same class, Shareholders may at their discretion transfer Shares from Singapore to Hong Kong upon or after the Listing. Special arrangements have been made to facilitate transfers of Shares, and to incentivise existing Shareholders to transfer their Shares to Hong Kong prior to the Listing by enabling them to do so at a reduced cost. Details of such arrangements were set out in the Company's announcement dated 1 March 2016. To the extent that existing Shareholders elect to transfer Shares to Hong Kong before or shortly after the Listing, such Shares may help contribute to the general liquidity of the Shares on the Hong Kong market.
- Mr. Zhang Wei, one of the Controlling Shareholders, has confirmed to the Company that he intends to transfer, and/or procure the transfer of not less than 68,000,000 Shares, which he directly or indirectly holds, representing not less than approximately 34.7% of the Shares in issue to the Hong Kong Branch Share Register prior to the Listing. As indicated in Section I of this Appendix A above, the Lender (i.e. Mr. Zhang Wei) will make available 48,000,000 Shares to the Bridging Dealer and the Alternate Bridging Dealer that will be used solely for settlement in connection with the arbitrage trades carried out by the Bridging Dealer and the Alternate Bridging Dealer in Hong Kong.
- In conducting arbitrage activities in circumstances as described in Section I of this Appendix A above, the Bridging Dealer and the Alternate Bridging Dealer would effectively be acting as a conduit to transfer some of the trading liquidity of the Shares in the Singapore market to the Hong Kong market.

### **III. BENEFITS OF THE BRIDGING ARRANGEMENTS**

It is believed that the bridging arrangements will benefit the Listing in the following ways:

- as arbitrage trades are intended to be carried out by the Bridging Dealer and the Alternate Bridging Dealer during the Bridging Period where there exists a meaningful price differential in the Share prices, the bridging arrangements are expected to contribute to the liquidity of the Shares on the Hong Kong market upon the Listing;
- arbitrage trades, by their nature, would typically contribute to reducing potential material divergence between Share prices on the Hong Kong and Singapore markets; and
- the bridging arrangements are perceived to be a mechanism that is fair to all market participants who have access to the Shares, as it is open to all of the Shareholders and other market participants who have such access to carry out arbitrage trades similar to those to be carried out by the Bridging Dealer and the Alternate Bridging Dealer.

### **IV. DISCLOSURE OF THE BRIDGING ARRANGEMENTS**

In order to enhance transparency of the arbitrage activities carried out under the bridging arrangements, various measures to provide information to the market and potential investors will be undertaken. These measures will be described in the paragraph headed "Investor Education" of the Listing Document. Further, the Company will, as soon as practicable and in any event before the opening of trading hours on the business day immediately before the first day of the Listing, release an announcement on the Stock Exchange and the SGX-ST to inform the investing public of the following information as of the latest practicable date prior to such announcement:



- the number of Shares in respect of which the Singapore Principal Share Registrar has received instructions from Shareholders for the transfer of such Shares to the Hong Kong Branch Share Register (whether under the Batch-Transfers or otherwise); and
- the total number of Shares that have been registered on the Hong Kong Branch Share Register.

In respect of the arbitrage trades to be carried out by the Bridging Dealer and the Alternate Bridging Dealer, the Bridging Dealer and the Alternate Bridging Dealer have each set up a designated dealer identity number, solely for the purposes of carrying out such trades in Hong Kong, in order to ensure identification and thereby enhance transparency of the trades on the Hong Kong market. The Bridging Dealer has also set up another designated dealer identity number, which will only be used in emergencies and unforeseen situations if the aforesaid identity number for arbitrage trades cannot be used.

In addition, where applicable, the arbitrage trades carried out by the Bridging Dealer and the Alternate Bridging Dealer, and the transactions under the Stock Borrowing and Lending Agreements will also be disclosed in accordance with the disclosure of interests regime under the relevant provisions of Part XV of the SFO and any applicable laws and regulations in Singapore.