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**SAU SAN TONG HOLDINGS LIMITED**

**修身堂控股有限公司\***

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

**(Stock Code: 8200)**

**RESULTS OF THE RIGHTS ISSUE OF  
893,857,500 RIGHTS SHARES ON THE BASIS OF  
THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE  
HELD ON THE RECORD DATE AT HK\$0.10 PER RIGHTS SHARE  
AND  
ADJUSTMENTS TO THE OUTSTANDING CONVERTIBLE NOTES  
AND SHARE OPTIONS**

**RESULTS OF THE RIGHTS ISSUE**

The Board is pleased to announce that as at 4:00 p.m. on Thursday, 18 September 2014, being the latest time for acceptance of and payment for the Rights Shares as well as application for excess Rights Shares, a total of 1,814 valid acceptances and applications had been received for a total of 5,509,084,071 Rights Shares, which comprise: (i) 655 valid acceptances of provisional allotments under the PALs in respect of a total of 769,815,895 Rights Shares; and (ii) 1,159 valid applications for excess Rights Shares under the EAFs in respect of a total of 4,739,268,176 excess Rights Shares. In aggregate, they represent approximately 616.33% of the total number of 893,857,500 Rights Shares available for subscription under the Rights Issue.

As the Rights Issue had been over-subscribed, the obligations of the Underwriter under the Underwriting Agreement in respect of the Untaken Shares were fully discharged.

Pursuant to the irrevocable undertakings given by Dr. Cheung and Mr. Cheung on 10 July 2014, Dr. Cheung, Biochem Investments and Mr. Cheung have respectively taken up their provisional allotment under the Rights Issue in full, representing an aggregate of 217,064,100 Rights Shares and approximately 24.28% of the total number of Rights Shares available for subscription under the Rights Issue. Dr. Cheung, Biochem Investments and Mr. Cheung did not apply for any excess Rights Shares under the Rights Issue.

The Rights Issue and the Underwriting Agreement had become unconditional after 4:00 p.m. on Friday, 19 September 2014.

\* *For identification purpose only*

## **DESPATCH OF SHARE CERTIFICATES AND REFUND CHEQUES**

It is expected that the share certificates for the fully-paid Rights Shares in respect of the valid acceptances of the Rights Shares on PALs and successful applications for excess Rights Shares on EAFs will be despatched to those entitled thereto by ordinary post at their own risk on or before Friday, 26 September 2014. Refund cheques in respect of partially unsuccessful applications for excess Rights Shares will also be despatched to the applicants by ordinary post at their own risk on or before Friday, 26 September 2014.

## **COMMENCEMENT OF DEALINGS IN RIGHTS SHARES**

Dealings in the Rights Shares, in the fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Monday, 29 September 2014.

## **ADJUSTMENTS TO THE PLACING CONVERTIBLE NOTES AND THE SUBSCRIPTION CONVERTIBLE NOTE AND OUTSTANDING SHARE OPTIONS**

As a result of the Rights Issue, adjustments will be made to (i) respective conversion prices of the Placing Convertible Notes and the Subscription Convertible Note; and (ii) the exercise prices and the number of Shares to be issued upon exercise of the outstanding Share Options.

Pursuant to the terms and conditions of the Placing Convertible Notes and the Subscription Convertible Note, the aforesaid adjustments to each of the Placing Convertible Notes and the Subscription Convertible Note had become effective from the day following the Record Date, i.e. 3 September 2014. The aforesaid adjustments to the Share Options shall become effective from 26 September 2014, being the despatch date of share certificates for the fully-paid Rights Shares.

Reference is made to the prospectus of the Company dated 3 September 2014 (the “**Prospectus**”) in relation to the Rights Issue of 893,857,500 Rights Shares on the basis of three (3) Rights Shares for every one (1) Share held on the Record Date. Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus.

## **RESULTS OF THE RIGHTS ISSUE**

The Board is pleased to announce that as at 4:00 p.m. on Thursday, 18 September 2014, being the latest time for acceptance of and payment for the Rights Shares as well as application for excess Rights Shares, a total of 1,814 valid acceptances and applications had been received for a total of 5,509,084,071 Rights Shares, which comprise: (i) 655 valid acceptances of provisional allotments for a total of 769,815,895 Rights Shares; and (ii) 1,159 valid applications for a total of 4,739,268,176 excess Rights Shares. In aggregate, they represent approximately 616.33% of the total number of 893,857,500 Rights Shares available for subscription under the Rights Issue.

Pursuant to the irrevocable undertakings given by Dr. Cheung and Mr. Cheung on 10 July 2014, Dr. Cheung, Biochem Investments and Mr. Cheung have respectively taken up their provisional allotment under the Rights Issue in full, representing an aggregate of 217,064,100 Rights Shares and approximately 24.28% of the total number of Rights Shares available for subscription under the Rights Issue. Dr. Cheung, Biochem Investments and Mr. Cheung did not apply for any excess Rights Shares under the Rights Issue.

As the Rights Issue had been over-subscribed, the obligations of the Underwriter under the Underwriting Agreement in respect of the Untaken Shares were fully discharged.

All the conditions precedent set out in the Underwriting Agreement had been fulfilled and the Rights Issue and the Underwriting Agreement had become unconditional after 4:00 p.m. on Friday, 19 September 2014.

### **EXCESS RIGHTS SHARES**

Regarding the 1,159 valid applications for a total of 4,739,268,176 excess Rights Shares, the Board has resolved to allot a total of 124,041,605 Rights Shares available for excess application. The excess Rights Shares were allocated on a fair and equitable basis on the following principles:

1. preference was given to applications for topping-up odd-lots holdings to whole-lot holdings; and
2. subject to availability of excess Rights Shares after allocation under principle (1) above, any remaining excess Rights Shares were allocated to the Qualifying Shareholders based on a sliding scale with reference to the number of excess Rights Shares being applied for by them and with board lot allocations to be made on a best effort basis.

Based on the above, allotment results in respect of the excess Rights Shares are set out as follows:

<b>Number of Excess Rights Shares applied for</b>	<b>Number of valid applications for excess Rights Shares</b>	<b>Total number of excess Rights Shares applied for</b>	<b>Total number of Rights Shares allotted</b>	<b>Approximate percentage of allocation based on the total number of excess Rights Shares applied for in this category</b>	<b>Basis of Allotment</b>
1-7,999	824	5,418,470	5,418,470	100.00%	In full
8,000-159,999	138	6,839,170	1,055,170	15.43%	Odd lot in full plus additional shares at approximately 2.53% on the remaining excess Rights Shares applied and rounded up to a board lot of 4,000 Shares
160,000-136,800,000	196	967,037,229	24,729,229	2.56%	Odd lot in full plus additional shares at approximately 2.53% on the remaining excess Rights Shares applied and rounded down to a board lot of 4,000 Shares
Above 136,800,000	<u>1</u>	<u>3,759,973,307</u>	<u>92,838,736</u>	2.47%	Approximately 2.47%
<b>Total</b>	<b><u>1,159</u></b>	<b><u>4,739,268,176</u></b>	<b><u>124,041,605</u></b>		

The Board considers that the above excess Rights Shares were allocated on a fair and equitable basis.

## SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief and after having made all reasonable enquiries, the shareholding structure of the Company immediately before and after completion of the Rights Issue is as follows:

Shareholders	Immediately before completion of the Rights Issue (Note 1)		Immediately after completion of the Rights Issue (Note 1)	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Dr. Cheung (Note 2)	40,322,700	13.53	161,290,800	13.53
Biochem Investments (Note 2)	31,332,000	10.52	125,328,000	10.52
Mr. Cheung (Note 3)	700,000	0.23	2,800,000	0.23
Other public Shareholders	<u>225,597,800</u>	<u>75.72</u>	<u>902,391,200</u>	<u>75.72</u>
Total	<u>297,952,500</u>	<u>100.00</u>	<u>1,191,810,000</u>	<u>100.00</u>

Notes:

- (1) Certain percentage figures included in this table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.
- (2) Dr. Cheung, the chairman of the Company and an executive Director, was personally interested in 40,322,700 Shares immediately before completion of the Rights Issue and deemed to be interested in 31,332,000 Shares which were held by Biochem Investments, a company wholly-owned by Dr. Cheung.
- (3) Mr. Cheung is an executive Director and also the elder brother of Dr. Cheung. Mr. Cheung was interested in 700,000 Shares immediately before completion of the Rights Issue.

## COMMENCEMENT OF DEALINGS IN RIGHTS SHARES

Dealings in the Rights Shares, in the fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Monday, 29 September 2014.

## ADJUSTMENTS TO THE PLACING CONVERTIBLE NOTES AND THE SUBSCRIPTION CONVERTIBLE NOTE AND OUTSTANDING SHARE OPTIONS

### (a) Adjustments to the Placing Convertible Notes and the Subscription Convertible Note

As a result of the Rights Issue and in accordance with the terms and conditions of the Placing Convertible Notes and the Subscription Convertible Note, adjustment to the respective conversion prices of the Placing Convertible Notes and the Subscription Convertible Note from HK\$0.330 per Share to HK\$0.141 per Share had become effective from the day following the Record Date, i.e. 3 September 2014. The adjustments have been certified by Fulbright Capital Limited, the independent financial adviser to the Company.

### (b) Adjustments to the outstanding Share Options

As a result of the completion of the Rights Issue and in accordance with the terms and conditions of the Share Option Scheme and the supplementary guidance issued by the Stock Exchange on 5 September 2005 regarding the adjustment of share options under Rule 23.03(13) of the GEM Listing Rules, the exercise price and the number of Shares which may be issued upon exercise of the outstanding Share Options of the Company have been adjusted as follows:

<i>Date of grant of the Share Options</i>	<i>Exercise period</i>	<b>Immediately before completion of the Rights Issue</b>		<b>Immediately after completion of the Rights Issue</b>	
		<i>Number of underlying Shares under the Share Options</i>	<i>Exercise price per Share (HK\$)</i>	<i>Adjusted number of underlying Shares under the Share Options</i>	<i>Adjusted exercise price per Share (HK\$)</i>
2 March 2011	2 March 2011 to 1 March 2016	9,970,000	0.660	23,263,333	0.283
22 February 2012	22 February 2012 to 21 February 2017	5,880,000	0.497	13,720,000	0.213

The above adjustments have been certified by Fulbright Capital Limited, the independent financial adviser to the Company. The adjustments to the exercise prices and the number of the Shares falling to be issued upon exercise of the outstanding Share Options shall become effective on the despatch date of share certificates for the fully-paid Rights Shares, i.e. 26 September 2014. Save as disclosed above, all other terms and conditions of the Share Option Scheme remain unchanged.

## **DESPATCH OF SHARE CERTIFICATES AND REFUND CHEQUES**

Share certificates in respect of the Rights Shares will be despatched to those entitled thereto by ordinary post at their own risk on or before Friday, 26 September 2014. Refund cheques in respect of partially unsuccessful applications for excess Rights Shares will also be despatched to the applicants by ordinary post at their own risk on or before Friday, 26 September 2014.

On behalf of the Board of  
**Sau San Tong Holdings Limited**  
**Cheung Yuk Shan, Shirley**  
*Chairman*

Hong Kong, 25 September 2014

*As at the date of this announcement, the Board comprises executive directors namely Dr. Cheung Yuk Shan, Shirley (Chairman) and Mr. Cheung Ka Heng, Frankie; independent non-executive directors namely Mr. Hong Po Kui, Martin, Mr. Li Kuo Hsing, Ms. Hui Yat Lam and Ms. Chiu Kam Hing, Kathy.*

*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 of the Company, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (ii) there are no other matters the omission of which would make any statement in this announcement misleading.*

*This announcement will remain on the “Latest Company Announcements” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and on the Company’s website at [www.sausantong.com](http://www.sausantong.com).*