

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## HYDOO INTERNATIONAL HOLDING LIMITED

毅德國際控股有限公司

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

**(Stock code: 1396)**

### ADJUSTMENT TO CONVERSION PRICE OF THE CONVERTIBLE NOTES DUE 2020

Reference is made to (i) the announcements of Hydoo International Holding Limited (the “**Company**”) dated 9 January 2015 and 26 January 2015 in relation to the issue of the 7% convertible notes in principal amount of US\$120,000,000 due 2020 (the “**Notes**”); (ii) the announcement of the Company dated 7 July 2015 in relation to the adjustment of conversion price of the Notes as a result of the payment of a final dividend by the Company for the year ended 31 December 2014; (iii) the announcements of the Company dated 11 January 2016 and 14 January 2016 in relation to certain amendments to the indenture governing the terms and conditions of the Notes and early partial redemption of the Notes; and (iv) the annual results announcement of the Company dated 30 March 2016 (the “**Annual Results Announcement**”) (together referred to as the “**Announcements**”).

Unless otherwise specified, capitalized terms used herein shall have the same meaning as those defined in the Announcements.

Pursuant to section 6.4A(a)(ii) of the Indenture, the conversion price of the Notes will be adjusted pursuant to an agreed formula if the Contracted Sales by the Company from 1 January 2015 to 31 December 2015 are less than the minimum contracted sales target of RMB4.0 billion in aggregate (the “**Minimum Contracted Sales Target**”). The Holder also has the right to require the Company to redeem all or some of the Notes.

As disclosed in the Annual Results Announcement, the Contracted Sales for the year ended 31 December 2015 amounted to approximately RMB3.1 billion, which are less than the Minimum Contracted Sales Target. Accordingly, in accordance with the terms of the Indenture, the conversion price of the Notes was adjusted from HK\$1.884 per Share to HK\$1.696 per Share effective from 31 December 2015. Based on the total outstanding principal amount of the Notes of US\$ 80,000,000, the maximum number of Shares that will be issued upon conversion of all the outstanding Notes at the previous conversion price and the adjusted conversion price is 329,282,378 Shares and 365,783,019 Shares respectively, representing an increase of 36,500,641 Shares (the “**Additional Conversion Shares**”) issuable under the Notes.

The Additional Conversion Shares will be issued pursuant to the general mandate granted to the directors of the Company by the shareholders pursuant to an ordinary resolution passed at the general meeting of the Company held on 15 May 2015. An application has been made by the Company to The Stock Exchange of Hong Kong Limited for the listing of, and permission to deal in, the Additional Conversion Shares on the Stock Exchange.

By order of the Board  
**Hydoo International Holding Limited**  
**Wang Jianli**  
*Chairman and Executive Director*

Hong Kong, 31 March 2016

*As at the date of this announcement, the executive Directors of the Company are Mr. Wang Jianli, Mr. Wang Dewen and Mr. Huang Dehong; the non-executive Directors of the Company are Mr. Yuan Bing and Mr. Wang Wei; and the independent non-executive Directors of the Company are Mr. Zhao Lihua, Mr. Wang Lianzhou and Mr. Lam, Chi Yuen Nelson.*