

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.



CHINA PUBLIC PROCUREMENT LIMITED

中國公共採購有限公司

(incorporated in Bermuda with limited liability)

(Stock code: 1094)

**SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO
SUBSCRIPTION OF NEW SHARES
UNDER GENERAL MANDATE**

Reference is made to the announcement of China Public Procurement Limited (the “**Company**”) dated 3 October 2017 in relation to, among other matters, the subscription of new shares of the Company (“**Shares**”) under general mandate (the “**Announcement**”). Terms defined in the Announcement shall, unless the context requires otherwise, have the same meanings when used in this announcement.

Further to the information disclosed in the Announcement, the Company would like to supplement the following additional information:

BACKGROUND OF THE SUBSCRIPTION

As disclosed in the announcement of the Company dated 31 August 2017, the Previous Subscription Agreement had been terminated and the Company may consider engaging in further fund raising activities taking into account the future development of the Group and the market conditions.

On 2 October 2017, Mr. Zheng Jinwei (“**Mr. Zheng**”), the chairman of the Board, chief executive and executive director of the Company, discussed for the first time with the Subscriber, Mr. Zhao Liuqing, being a person whom Mr. Zheng has known for years, regarding the potential subscription of the Shares. Mr. Zheng and the Subscriber then further discussed the details of the said potential subscription, which eventually led to the Subscription Agreement entered into between the Company and the Subscriber on 3 October 2017.

INDEPENDENCE OF THE SUBSCRIBER FROM NGONGFULL

As disclosed in the announcement of the Company dated 5 June 2017, the Company entered into the Previous Subscription Agreement with Ngongfull Science and Technology Limited (“**Ngongfull**”) in relation to the proposed issuance by the Company, and the proposed subscription by Ngongfull, of 229,022,040 Shares. As further disclosed in the announcement of the Company dated 31 August 2017, the Previous Subscription Agreement had been terminated by way of a deed of termination and settlement dated 31 August 2017 entered into between the Company and Ngongfull.

Based on the inquiry with the Subscriber and Ngongfull, to the best of the Director’s knowledge, information and belief after having made all reasonable enquiries, the Subscriber is independent of Ngongfull, its subsidiaries, its ultimate beneficial owner and their respective associates.

USE OF PROCEEDS OF THE SUBSCRIPTION

As disclosed in the Announcement, the Company intends to use the net proceeds from the Subscription for general working capital of the Group and for the future development of the Group’s business. The Company would like to supplement that in view of the cash position of the Company as disclosed in its interim report for the six months ended 30 June 2017, the Company is in need of raising funds so that it can use the additional cash raised to replenish its working capital so as to maintain its operations and business development. Business development is a continuing process the concrete plan of which is subject to various unknown factors, such as the future performance of the Group and the cash to be generated from future operations of the Group. Thus the management of the Group is not in a position at this stage to ascertain the detailed concrete breakdowns on the intended uses of the proceeds from the Subscription.

The Company will update the Shareholders on the actual use of the net proceeds from the Subscription in its next annual report(s) in compliance with the Listing Rules.

Since the Subscription is subject to the condition set out in the Subscription Agreement, the Subscription may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

By order of the Board
CHINA PUBLIC PROCUREMENT LIMITED
Zheng Jinwei
Chairman

Hong Kong, 30 October 2017

At the date of this announcement, the Board comprises four executive Directors, namely Mr. Zheng Jinwei (Chairman and Chief Executive), Mr. Ho Wai Kong (Honorary Chairman), Miss. Ng Weng Sin and Ms. He Qian; one non-executive Director, namely Mr. Chen Limin; and three independent non-executive Directors, namely Ms. Wong Yan Ki, Angel, Mr. Deng Xiang and Mr. Jiang Jun.