

HOTUNG INVESTMENT HOLDINGS LIMITED

(Incorporated in Bermuda)

SUBSCRIPTION OF SHARES IN FIKAFIKA COFFEE CORPORATION

Pursuant to Rule 704(17)(c) of the listing manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), the board of directors (the “**Board**”) of Hotung Investment Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) wishes to announce that Hotung Venture Capital Corp., a 99.99%-held subsidiary of the Company, had on 9 September 2016, subscribed for 1,630,000 ordinary shares in the capital of Fikafika Coffee Corporation (“**Fika**”), representing approximately 29.5% of the entire issued share capital of Fika, for a consideration of NT\$23,798,000 (the “**Consideration**”) (the “**Subscription**”).

The Subscription is in the ordinary course of the Group’s business.

Following the Subscription, the Company’s indirect shareholding interest in Fika is approximately 29.5%. Notwithstanding such increase in shareholding interest, as the management has assessed that the relevant contractual terms do not provide the Group with any influence over Fika, Fika is not an associated company of the Group in accordance with the International Accounting Standards 28 – *Investments in Associates and Joint Ventures*.

The Consideration was arrived at on a willing-buyer, willing-seller basis, and has been satisfied wholly in cash funded from the Group’s internal resources.

BY ORDER OF THE BOARD

Shu-Hui Lo
Company Secretary
9 September 2016