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361 Degrees International Limited

361度國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1361)

TENDER OFFER FOR REPURCHASE OF CONVERTIBLE BONDS

This announcement is made pursuant to the Inside Information Provisions (as defined in the Listing Rules) under Part XIV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

BACKGROUND

In April 2012, the Company issued an aggregate principal amount of US\$150,000,000 4.5% Convertible Bonds due 2017 (ISIN: XS0758843626), which are convertible into ordinary shares of the Company.

Reference is made to the announcements of the Company dated 30 January 2014, 18 February 2014, 25 March 2014, 23 April 2014, 30 September 2014, 15 October 2014 and 17 October 2014 in relation to the repurchases by the Company of the Convertible Bonds of aggregate principal amounts of US\$4,000,000, US\$10,300,000, US\$1,200,000, US\$11,000,000, US\$7,300,000, US\$8,200,000 and US\$10,400,000, respectively, by way of over-the-counter purchases. As at the date hereof, the aggregate outstanding principal amount of the Convertible Bonds is US\$97,600,000. The Convertible Bonds are listed on the Singapore Exchanges Securities Trading Limited.

TENDER OFFER FOR REPURCHASE OF CONVERTIBLE BONDS

The Company intends to invite holders of the Convertible Bonds, subject to the offer restrictions described in the Tender Offer Memorandum, to tender their Convertible Bonds for repurchase by the Company for cash. The purchase price for each US\$100,000 principal amount of the tendered Convertible Bonds is US\$102,500. Accrued interest from and including the immediately preceding interest payment date up to but excluding the Settlement Date will also be paid.

The Company has made available today, through the tender and tabulation agent, to the holders of the Convertible Bonds the Tender Offer Memorandum. The Tender Offer Memorandum sets out, among other things, the terms and conditions of the Tender Offer.

The Tender Offer is being made as part of the Company's commitment to actively manage its balance sheet.

The Tender Offer will commence at 10:00 a.m. (Central European summer time) / 4:00 p.m. (Hong Kong time) on 20 October 2014 and will end at 5:00 p.m. (Central European summer time) / 11:00 p.m. (Hong Kong time) on 24 October 2014, unless modified, extended, withdrawn or terminated at the sole discretion of the Company as provided in the Tender Offer Memorandum, in which case an announcement to that effect will be made by the tender and tabulation agent or the dealer manager on behalf of the Company. The Company may, at its sole discretion, waive, amend (subject as provided in the Tender Offer Memorandum), extend, terminate or withdraw the Tender Offer.

Convertible Bonds repurchased by the Company pursuant to the Tender Offer will be cancelled and will not be re-issued or re-sold. Convertible Bonds which have not been validly submitted and accepted for tender pursuant to the Tender Offer will remain outstanding.

The Company will from time to time issue announcements in respect of the progress of the Tender Offer as and when necessary pursuant to the Listing Rules and other relevant rules and regulations. It is currently envisaged that the Company will make an announcement on 28 October 2014 on, inter alia, the aggregate cash amount payable by the Company based on the aggregate principal amount of Convertible Bonds it will repurchase on the Settlement Date pursuant to the Tender Offer. The Company also envisages making a further announcement no later than 4 November 2014 stating, inter alia, that settlement has taken place, the total consideration paid by the Company for the Convertible Bonds repurchased by it pursuant to the Tender Offer and the aggregate principal amount of Convertible Bonds remaining outstanding following completion of the Tender Offer.

The Settlement Date for the Tender Offer is currently expected to be not later than 4 November 2014 subject to the right of the Company to extend, amend or terminate the Tender Offer.

The Tender Offer will be funded by the proceeds of the issue of RMB1,500,000,000 7.5% senior unsecured notes due 2017 of the Company in September 2014.

In connection with the Tender Offer, the Company has appointed Merrill Lynch International as the sole dealer manager and Deutsche Bank AG, Hong Kong Branch as the tender and tabulation agent.

The Tender Offer is not being made to, and any offers to tender Convertible Bonds pursuant to the Tender Offer will not be accepted from, or on behalf of, holders of the Convertible Bonds in any jurisdiction in which the making of such Tender Offer would not be in compliance with the laws or regulations of such jurisdiction. In particular, persons located or resident in the United States, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States or the District of Columbia (the United States) may not participate in the Tender Offer. Restrictions on participation in the Tender Offer also apply in the United Kingdom, Republic of Italy, Belgium and France and may apply in other jurisdictions.

DEFINITIONS

In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:–

“Company”	361 Degrees International Limited, a limited liability company incorporated in the Cayman Islands, the shares of which are listed on The Stock Exchange of Hong Kong Limited
“Convertible Bonds”	the US\$150,000,000 4.5% Convertible Bonds due 2017 issued by the Company bearing ISIN: XS0758843626 and listed on the Singapore Exchanges Securities Trading Limited
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Settlement Date”	expected to be not later than 4 November 2014 (subject to the right of the Company, in its sole discretion, to extend or amend such date)
“Tender Offer”	the invitation by the Company to the holders of the Convertible Bonds to tender the Convertible Bonds for purchase by the Company for cash upon the terms and conditions set forth in the Tender Offer Memorandum
“Tender Offer Memorandum”	a tender offer memorandum dated 20 October 2014 made available to the holders of the Convertible Bonds in connection with the Tender Offer
“US\$”	United States dollar, the lawful currency of the United States of America
“United States” or “U.S.”	United States of America
“%”	per cent.

By order of the Board
361 Degrees International Limited
Ding Huihuang
Chairman

Hong Kong, 20 October 2014

As at the date of this announcement, the Directors are:

Executive Directors: Mr. Ding Wuhao, Mr. Ding Huihuang (Chairman), Mr. Ding Huirong and Mr. Wang Jiabi

Independent non-executive Directors: Mr. Yan Man Sing Frankie, Mr. Tsui Yung Kwok and Dr. Liao Jianwen