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This joint announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of Feishang Non-Metal Materials Technology Limited.

MR. ZHANG QIANG (張強)



Feishang Non-metal Materials Technology Limited
飛尚非金屬材料科技有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8331)

JOINT ANNOUNCEMENT

**(1) COMPLETION OF THE ACQUISITION OF SALE SHARES IN
FEISHANG NON-METAL MATERIALS TECHNOLOGY LIMITED
BY ZHANG QIANG (張強); AND
(2) MANDATORY UNCONDITIONAL CASH OFFER BY**



KINGSTON SECURITIES

**FOR AND ON BEHALF OF
ZHANG QIANG (張強)
TO ACQUIRE ALL THE ISSUED SHARES IN
FEISHANG NON-METAL MATERIALS TECHNOLOGY LIMITED
(OTHER THAN THOSE ALREADY OWNED BY
ZHANG QIANG (張強) AND PARTIES ACTING IN
CONCERT WITH HIM**

Financial adviser to ZHANG Qiang (張強)



KINGSTON CORPORATE FINANCE

COMPLETION OF THE S&P AGREEMENT

The Company was informed by the Vendor that the S&P Completion took place on 20 April 2017.

MANDATORY UNCONDITIONAL CASH OFFER

Immediately before the S&P Completion, the Offeror (the Purchaser) and the parties acting in concert with him did not hold, own, control or have direction over any Shares, options, derivatives, warrants, convertible securities or voting rights of the Company or any other relevant securities. Immediately upon the S&P Completion and as at the date of this joint announcement, the Offeror and the parties acting in concert with him are interested in 275,000,000 Shares, representing 55% of the total issued share capital of the Company as at the date of this joint announcement.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned by the Offeror and the parties acting in concert with him).

KSL will make the Offer for and on behalf of the Offeror in compliance with the Takeovers Code.

WARNING

The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the composite offer document, including the recommendations of the Independent Board Committee in respect of the Offer and a letter of advice from the Independent Financial Adviser.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

Reference is made to the joint announcement (the “**Offer Announcement**”) of Feishang Non-Metal Materials Technology Limited (the “**Company**”) and ZHANG Qiang (張強) (the “**Offeror**”) dated 19 April 2017 in relation to, among other things, the Offer. Capitalised terms used in this joint announcement shall have the same meanings as those defined in the Offer Announcement unless the context requires otherwise.

COMPLETION OF THE S&P AGREEMENT

The Company was informed by the Vendor that the S&P Completion took place on 20 April 2017. The total consideration for the Sale Shares of HK\$192,500,000 (equivalent to HK\$0.70 per Sale Share) had been paid by the Purchaser in cash upon the S&P Completion.

MANDATORY UNCONDITIONAL CASH OFFER

Immediately before the S&P Completion, the Offeror and the parties acting in concert with him did not hold, own, control or have direction over any Shares, options, derivatives, warrants, convertible securities or voting rights of the Company or any other relevant securities. Immediately upon the S&P Completion, the Offeror and the parties acting in concert with him are interested in 275,000,000 Shares, representing 55% of the total issued share capital of the Company as at the date of this joint announcement.

Pursuant to Rule 26.1 of the Takeovers Code, the Offeror is therefore required to make a mandatory unconditional cash offer for all the issued Shares (other than those already owned by the Offeror and the parties acting in concert with him).

As at the date of this joint announcement, the Company has 500,000,000 Shares in issue. The Company does not have other classes of securities, derivatives, warrants or other securities which are convertible or exchangeable into Shares and has not entered into any agreement for the issue of such options, derivatives, warrants or securities which are convertible or exchangeable into Shares, as at the date of this joint announcement.

KSL will make the Offer for and on behalf of the Offeror in compliance with the Takeovers Code.

It is the intention of the Offeror and the Company to combine the offer document with the offeree board circular from the Company in a composite offer document. In accordance with Rule 8.2 of the Takeovers Code, the composite offer document containing, amongst other things: (i) details of the Offer (including the expected timetable); (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in relation to the Offer; and (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Offer, together with the relevant forms of acceptance and transfer, is required to be despatched to the Shareholders within 21 days of the date of the Offer Announcement, i.e. on or before 10 May 2017, or such later date as the Executive may approve.

Independent Shareholders are encouraged to read the composite offer document carefully, including the advice of the Independent Financial Adviser to the Independent Board Committee and the recommendation from the Independent Board Committee to the Independent Shareholders in respect of the Offer, before deciding whether or not to accept the Offer.

WARNING

The Directors make no recommendation as to the fairness or reasonableness of the Offer or as to the acceptance of the Offer in this joint announcement, and strongly recommend the Independent Shareholders not to form a view on the Offer unless and until they have received and read the composite offer document, including the recommendations of the Independent Board Committee in respect of the Offer and a letter of advice from the Independent Financial Adviser.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

ZHANG Qiang (張強)

By Order of the Board
**Feishang Non-metal Materials
Technology Limited**
CHEN Gongbao
Director

Hong Kong, 20 April 2017

As at the date of this joint announcement, the executive Directors are Mr. XU Chengyin, Mr. ZHANG Pingwu, Mr. CHEN Gongbao, Mr. DENG Li and Mr. ZHANG Yongmin; and the independent non-executive Directors are Mr. CHAN Chiu Hung Alex, Mr. ZHENG Shuilin and Mr. DUAN Xuechen.

This joint announcement, for which the Directors 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, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this joint announcement (other than the information relating to the Offeror and parties acting in concert with him, the terms of the Offer and the future intention of the Offeror regarding the Group) is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this joint announcement misleading.

The Directors jointly and severally accept full responsibility for accuracy of the information contained in this joint announcement (other than the information relating to the Offeror and parties acting in concert with him, the terms of the Offer and the future intention of the Offeror regarding the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

The Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than the information relating to the Group, the Vendor, the Guarantor and their respective associates and parties acting in concert with them) and confirm, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Group, the Vendor, the Guarantor and their respective associates and parties acting in concert with them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

As at the date of this joint announcement, the sole director of the Vendor is Mr. LI Feilie.

The sole director of the Vendor accepts full responsibility for accuracy of the information contained in this joint announcement (other than the information relating to the Offeror, the Group and their respective associates and parties acting in concert with them except where such information also relates to the Vendor, its ultimate beneficial owner and their respective parties acting in concert with them, the terms of the Offer and the future intention of the Offeror regarding the Group) and confirms, having made all reasonable enquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than those expressed by the Offeror, the Group and their respective associates and parties acting in concert with them) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

This joint announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the day of its publication. This joint announcement will also be published on the Company’s website at www.fsnmmaterials.com.

The English text of this joint announcement shall prevail over its Chinese text.