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皇中國際控股有限公司

ROYAL CHINA INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1683)

(1) UPDATE ON THE STATUS OF THE DISCLOSEABLE TRANSACTION RELATING TO THE ACQUISITION OF ORDINARY MEMBERSHIP OF CGSE; AND (2) BUSINESS UPDATES

Reference is made to the announcement of Royal China International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 9 May 2017 in relation to the acquisition of the ordinary membership of The Chinese Gold and Silver Exchange Society (the “**CGSE Announcement**”). Terms defined in the CGSE Announcement shall have the same meaning herein unless the context otherwise required.

(1) UPDATE ON THE ACQUISITION OF ORDINARY MEMBERSHIP OF CGSE

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that Royal China Bullion Investment Limited (“**RCBI**”), an indirect wholly-owned subsidiary of the Company, has completed the acquisition of the Membership of CGSE on 6 September 2017.

The Board is optimistic about the prospects in the precious metal trading market in Hong Kong and China. On 29 June 2017, Hong Kong Exchanges and Clearing Limited and CGSE signed a Memorandum of Understanding (the “**MOU**”) to consider the cooperation on matters ranging from product promotion to storage vaults. The signing of MOU signifies a strategic partnership with aims to build a major gold and commodities trading center in Asia Pacific. As a result of the acquisition of Membership, the Company has started to explore business opportunities in trading and exchange of precious metals in Hong Kong. The Group is considering to apply the membership of the International Board of the Shanghai Gold Exchange.

The following announcement on the business updates of the Company is made on a voluntary basis to inform its shareholders and potential investors of the latest business developments of the Group.

(2) AIRCRAFT MANAGEMENT AGREEMENT

Reference is made to the announcement of the Company dated 12 July 2017 in relation to, among others, the aircraft management agreement signed by HBA and a lessee on 12 July 2017 (the “**Announcement**”). Terms defined in the Announcement shall have the same meaning herein unless the context otherwise required.

The Board would like to provide an update on the aircraft management agreement entered into between HBA and the Lessee in respect of the Aircraft, the term of which is being considered by the parties to be extended until 31 December 2019.

Recently, HBA and a lessee of a business jet into an aircraft management agreement, pursuant to which the lessee has agreed to engage HBA to manage the business jet for initial term commencing from the date on which HBA takes delivery of the business jet and ending on 31 December 2019 . HBA is looking for more business opportunities on our business jet management services.

(3) TRADING OF AVIATION FUEL AND AVIATION EQUIPMENT AND PARTS

As disclosed in the CGSE Announcement, the Board has decided to explore business opportunities in aviation and traveling business and financing services which includes, but not limited to, (i) business jet management; (ii) service of aircraft sales; and (iii) pilot training service. Furthermore, as disclosed in the result announcement of the Company dated 18 August 2017, the Board has decided to explore development opportunities in the aviation industry value chain.

The Group is pleased to announce that Himalaya Aviation Fuel Services Limited (“**HAFS**”), an indirect wholly-owned subsidiary of the Company is negotiating with potential customers and suppliers for trading of aviation fuel. The Group is further exploring business opportunities in aviation equipment and parts.

GENERAL

The principal activity of the Company is investment holding. The Group is principally engaged in one-stop integrated interior design solutions including design, fit out and decoration as well as overall project management. As disclosed in the CSGE Announcement, the Board has decided to explore the business opportunities in aviation and traveling business and financing services which includes, but not limited to, business jet management, service of aircraft sales and pilot training school.

HBA is a limited company incorporated in Hong Kong and an indirect non wholly-owned subsidiary of the Company. HBA is principally engaged in business jet management business.

HAFS is a limited company incorporated in Hong Kong and an indirect wholly-owned subsidiary of the Company. HAFS is principally engaged in trading of aviation fuel.

RCBI is a limited company incorporated in Hong Kong and indirectly wholly-owned subsidiary of the Company. RCBI is principally engaged in precious metal trading business.

The Board is highly confident of the Group's prospects. The Group will issue further announcement(s) to keep shareholders and potential investors informed of material developments (if any) as and when appropriate, or where required by the Listing Rules on the Main Board of the Stock Exchange.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Royal China International Holdings Limited
DENG Kui
Chairman

Hong Kong, 6 September 2017

As at the date of this announcement, the Board comprises Mr. DENG Kui, Mr. LIU Yong Sheng, Mr. ZHOU Hucheng, Mr. LEONG Hing Loong Rudoff and Ms. CHEW Christina Mooi Chong as executive Directors; and Mr. LIU Gang, Mr. YU Haizong and Ms. AN Yiqing as independent non-executive Directors.