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**SHINHINT ACOUSTIC LINK HOLDINGS LIMITED**

**成謙聲匯控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2728)**

**CONTINUING CONNECTED TRANSACTION**

**OIL STORAGE TANKS AND ANCILLARY FACILITIES AGREEMENT**

On 8 May 2015, Fujian Fuhua Energy (for itself and on behalf of its subsidiary(ies) or affiliate(s)) and Fujian Yuhua Petrochemical entered into the Oil Storage Tanks and Ancillary Facilities Agreement, pursuant to which, Fujian Yuhua Petrochemical agrees to provide the crude oil jetty and storage services to Fujian Fuhua Energy or any of its subsidiary(ies) or affiliate(s) for a period commencing from 11 May 2015 and ending on 31 December 2017.

**Listing Rules Implications**

As at the date of this announcement, Mr. Lin is the director and general manager of Fujian Yuhua Petrochemical and together with his spouse, are the ultimate beneficial owners of Fujian Yuhua Petrochemical, therefore Fujian Yuhua Petrochemical is a connected person to the Company. In addition, as the transactions contemplated under the Oil Storage Tanks and Ancillary Facilities Agreement are continuing in nature the entering into of the Oil Storage Tanks and Ancillary Facilities Agreement constitutes continuing connected transactions on the part of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios as defined in the Listing Rules for the transactions contemplated under the Oil Storage Tanks and Ancillary Facilities Agreement is more than 1% but less than 5%, the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Major terms and conditions of the Oil Storage Tanks and Ancillary Facilities Agreement are summarized as follows:

Date: 8 May 2015 (after trading hours)

- Parties: (1) Fujian Yuhua Petrochemical
- (2) Fujian Fuhua Energy (for itself and on behalf of its subsidiary(ies) or affiliate(s))
- Leasing properties: Fujian Yuhua Petrochemical shall lease 8 oil storage tanks, each with a capacity of 3,500 m<sup>3</sup> at an oil depot situated at Donggu Village, Xibu, Dongshan County, Zhangzhou City, the PRC to Fujian Fuhua Energy or any of its subsidiary(ies) or affiliate(s)
- Ancillary service: (i) jetty and related services in connection with the unloading of crude oil from oil tankers and dockage and (ii) crude oil storage and related service in connection with the storage of crude oil in oil tank and oil tank handling
- Term: 11 May 2015 to 31 December 2017
- Rental: the annual rental and the service fee for the provision of the ancillary service under the Oil Storage Tanks and Ancillary Facilities Agreement is RMB8,400,000 calculated at a monthly rate of RMB25 per oil storage tanks, and is payable by Fujian Fuhua Energy to Fujian Yuhua Petrochemical monthly in twelve equal instalments.
- Renewal: Fujian Fuhua Energy has an option to renew the leasing of oil storage tanks by giving 30 days' prior notice to Fujian Yuhua Petrochemical before the expiry of the Oil Storage Tanks and Ancillary Facilities Agreement.

### **Proposed Annual Caps and Basis of Determination**

The proposed annual caps for the transactions contemplated under the Oil Storage Tanks and Ancillary Facilities Agreement for the three financial years ending 31 December 2015, 2016 and 2017 are set out as follows:

#### **Annual caps for the financial years ending 31 December**

	<b>2015</b>	<b>2016</b>	<b>2017</b>
Annual cap amounts	RMB10,000,000	RMB10,000,000	RMB10,000,000

The above annual caps have been determined with reference to the annual rental payable by Fujian Fuhua Energy under the Oil Storage Tanks and Ancillary Facilities Agreement and the growth potential of the Group's crude oil business. It is expected that Fujian Fuhua Energy may need to lease more oil storage tanks to ensure the ongoing smooth operation of its business.

## **Reasons for and Benefits of Entering into of the Oil Storage Tanks and Ancillary Facilities Agreement**

The Group is principally engaged in trading and manufacturing of speaker units and provision of consultancy services in connection with research and development of headphones and speaker products. The Group has established a business strategy to explore potential investment opportunities and diversify its business to enhance the Shareholders' value. Among other potential opportunities, the Company has strived to identify, including but not limited to, businesses which can generate stable income. The development of energy trading (including but not limited to fuel oil, oil and natural gas (the “**Products**”)) will enable the Group to achieve such goal.

The Directors consider that the entering into of the Oil Storage Tanks and Ancillary Facilities Agreement is for the benefit of the Group as it requires oil storage tanks and the ancillary services for the Products, the entering into of the Oil Storage Tanks and Ancillary Facilities Agreement would provide such storage, jetty and related services for the Group, which can continue support the sales of the Product and the growth of business of the Group.

The Directors (including the independent non-executive Directors) consider that the Oil Storage Tanks and Ancillary Facilities Agreement was entered into on normal commercial terms and in the ordinary and usual course of business of the Group, and that the terms and the annual caps thereunder are fair and reasonable for the Group and in the interests of the Shareholders as a whole.

As Mr. Lin is considered to have material interest in the Oil Storage Tanks and Ancillary Facilities Agreement and the transactions contemplated thereunder, he had abstained from voting on the relevant board resolutions approving the Oil Storage Tanks and Ancillary Facilities Agreement and the transactions contemplated thereunder. Save as disclosed above, none of the Directors has any material interest in the Oil Storage Tanks and Ancillary Facilities Agreement who are required to abstain from voting on the resolutions passed by the Board to approve the Oil Storage Tanks and Ancillary Facilities Agreement.

## **INFORMATION ON THE PARTIES**

Fujian Fuhua Energy is a company established in the PRC and is an indirect wholly-owned subsidiary of the Company. It is principally engaged in the in operation of oil trade center in the PRC.

Fujian Yuhua Petrochemical is a company established in the PRC and is owned as to 90% by Mr. Lin and as to 10% by Mr. Lin's spouse respectively through 福建裕華集團有限公司 (Fujian Yuhua Group Company Limited#). It is principally engaged in the trading, wholesale and retail of diesel, gasoline, kerosine, transportation of dangerous goods, importing and exporting trading.

## **Listing Rules Implications**

As at the date of this announcement, Mr. Lin is the director and general manager of Fujian Yuhua Petrochemical and together with his spouse, are the ultimate beneficial owners of Fujian Yuhua Petrochemical, therefore Fujian Yuhua Petrochemical is a connected person to the Company. In addition, as the transactions contemplated under the Oil Storage Tanks and Ancillary Facilities Agreement are continuing in nature, the entering into of the Oil Storage Tanks and Ancillary

Facilities Agreement constitutes continuing connected transactions on the part of the Company under Chapter 14A of the Listing Rules.

As each of the applicable percentage ratios as defined in the Listing Rules for the transactions contemplated under the Oil Storage Tanks and Ancillary Facilities Agreement is more than 1% but less than 5%, the transactions contemplated thereunder are subject to the reporting, announcement and annual review requirements but are exempted from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Board”	the board of Directors
“Company”	Shinhint Acoustic Link Holdings Limited (成謙聲匯控股有限公司), a company incorporated in the Cayman Islands with limited liability whose shares are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Fujian Fuhua Energy”	富華(福建)能源有限公司 (Fujian Fuhua Energy Company Limited#), a company established in the PRC and is an indirect wholly-owned subsidiary of the Company
“Fujian Yuhua Petrochemical”	福建裕華石油化工有限公司 (Fujian Yuhua Petrochemical Company Limited#), a company established in the PRC
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Lin”	Mr. Lin Caihuo (林財火先生), the Chairman of the Board and an executive Director
“Oil Storage Tanks and Ancillary	the oil storage tanks and ancillary facilities agreement

Facilities Agreement”	dated 8 May 2015 entered into between Fujian Fuhua Energy (for itself and on behalf of its subsidiary(ies) or affiliate(s)) and Fujian Yuhua Petrochemical in relation to the provision of crude oil jetty and storage services
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

# *In this announcement, the English transliteration of their Chinese names, where indicated, are included for identification purpose only, and should not be regarded as the official English names of such Chinese names. In the event of any inconsistency, the Chinese names shall prevail.*

By Order of the Board  
**Shinhint Acoustic Link Holdings Limited**  
**Lin Caihuo**  
*Chairman*

Hong Kong, 8 May 2015

*As at the date of this announcement, the Company has three Executive Directors, namely Mr. Lin Caihuo (Chairman), Ms. Kang Guiping and Mr. Wang Enguang, one Non-Executive Director, namely Mr. Yip Yat Ming and three Independent Non-Executive Directors, namely Mr. Liu Yang, Mr. Lum Pak Sum and Mr. Tsui Man Yin.*