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CHINA ALUMINUM CANS HOLDINGS LIMITED

中國鋁罐控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6898)

PROPOSED SPIN-OFF AND SEPARATE LISTING OF THE SHARES OF PRECIOUS DRAGON TECHNOLOGY HOLDINGS LIMITED ON THE MAIN BOARD OF THE STOCK EXCHANGE OF HONG KONG LIMITED

**(i) DATE OF BOARD MEETING AND PROPOSED DECLARATION
OF CONDITIONAL DISTRIBUTION;**

(ii) BOOK CLOSURE DATE AND RECORD DATE; AND

**(iii) GRANT OF SHARE OPTIONS UNDER THE PRE-IPO SHARE OPTION
SCHEME OF PRECIOUS DRAGON TECHNOLOGY HOLDINGS LIMITED**

Date of board meeting for declaration of conditional distribution

The Company announces that resolutions are expected to be presented to the Board on Wednesday, 29 May 2019 for the purpose of, among other things, considering the Proposed Spin-off and declaration of a conditional special interim dividend to be satisfied by way of the Distribution. The Distribution, if declared, will be conditional upon the Listing Committee of the Stock Exchange granting the Listing Approval and such approval not having been revoked prior to 8:00 a.m. (Hong Kong time) on the Listing Date.

Book closure date and record date

Subject to the declaration of the Distribution by the Board on Wednesday, 29 May 2019, the record date for determining entitlements to the Distribution will be Friday, 14 June 2019. For the purpose of determining the entitlements to the Distribution (if declared), the register of members of the Company will be closed from Tuesday, 11 June 2019 to Friday, 14 June 2019, both days inclusive. All transfers of shares of the Company, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 10 June 2019 in order to qualify for the Distribution (if declared).

Grant of the Pre-IPO Share Options

On 17 May 2019 (after trading hours), Precious Dragon has offered to grant to 119 Grantees a total of 7,765,000 Pre-IPO Share Options under the Precious Dragon Pre-IPO Share Option Scheme conditionally adopted by Precious Dragon on 18 March 2019 and conditionally approved by the Shareholders on 12 April 2019.

INTRODUCTION

Reference is made to (i) the announcements of China Aluminum Cans Holdings Limited dated 28 September 2018 and 2 April 2019 (the “**Announcements**”) in respect of the proposed spin-off and the separate listing of the shares of Precious Dragon Technology Holdings Limited (“**Precious Dragon**”) on the Main Board of The Stock Exchange of Hong Kong Limited by means of a distribution in specie (the “**Distribution**”) of the entire issued share capital of Precious Dragon owned by the Company to the qualifying shareholders of the Company whose names appear on the register of members of the Company on the record date for the Distribution; and (ii) the circular (the “**Circular**”) of the Company dated 21 March 2019 in relation to the proposed adoption of the pre-IPO share option scheme and the post-IPO share option scheme of Precious Dragon and the poll results announcement dated 12 April 2019 in relation to the approval of the aforesaid share option schemes. Unless otherwise defined in this announcement, capitalised terms used herein shall have the same meanings as defined in the Announcements and the Circular.

DATE OF BOARD MEETING AND PROPOSED DECLARATION OF CONDITIONAL DISTRIBUTION

The Company announces that resolutions are expected to be presented to the Board on Wednesday, 29 May 2019 for the purpose of, among other things, considering the Proposed Spin-off and the Distribution. The Distribution, if declared, will be conditional upon the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Precious Dragon Shares on the Main Board of the Stock Exchange (the “**Listing Approval**”) and such approval not having been revoked prior to 8:00 a.m. (Hong Kong time) on the date on which the Precious Dragon Shares are first listed on the Stock Exchange and from which date dealings in the Precious Dragon Shares are permitted to commence on the Stock Exchange (the “**Listing Date**”). Further announcement(s) will be issued to provide more details of the Distribution after the said resolutions have been passed by the Board.

BOOK CLOSURE DATE AND RECORD DATE

Subject to the declaration of the Distribution by the Board on Wednesday, 29 May 2019, the record date for determining entitlements to the Distribution will be Friday, 14 June 2019. For the purpose of determining entitlements to the Distribution (if declared), the register of members of the Company will be closed from Tuesday, 11 June 2019 to Friday, 14 June 2019, both days inclusive. All transfers of shares of the Company, accompanied by the relevant share certificates, must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, not later than 4:30 p.m. on Monday, 10 June 2019 in order to qualify for the Distribution (if declared).

GRANT OF THE PRE-IPO SHARE OPTIONS

The following is made by the Company pursuant to Rule 17.06A of the Listing Rules.

The Board hereby announces that on 17 May 2019 (after trading hours), Precious Dragon has offered to grant to 119 Grantees a total of 7,765,000 Pre-IPO Share Options under the Precious Dragon Pre-IPO Share Option Scheme conditionally adopted by Precious Dragon on 18 March 2019 and conditionally approved by the Shareholders on 12 April 2019.

Subject to the acceptance of the Pre-IPO Share Options by the Grantees and upon full exercise of all such options, the Pre-IPO Share Options will entitle the Grantees to subscribe for an aggregate of 7,765,000 Precious Dragon Shares at the exercise price per Pre-IPO Share Option set out below (subject to adjustments under the terms of the Precious Dragon Pre-IPO Share Option Scheme in accordance with Rule 17.03(13) of the Listing Rules). Assuming that a total of 234,544,750 Precious Dragon Shares will be issued by Precious Dragon upon completion of the Proposed Spin-off and on the Listing Date, the Pre-IPO Share Options represent approximately 3.3% of the total issued share capital of Precious Dragon upon completion of the Proposed Spin-off (assuming none of the Pre-IPO Share Options have been exercised), and approximately 3.2% of the total issued share capital of Precious Dragon upon completion of the Proposed Spin-off (assuming all the Pre-IPO Share Options have been exercised in full).

Details of the Pre-IPO Share Options granted under the Precious Dragon Pre-IPO Share Option Scheme are set out below:

Date of grant	: 17 May 2019 (after trading hours) (the “ Date of Grant ”)
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- Number of the Grantees : 119 Grantees (including 4 executive directors, 3 senior management and 112 employees of Precious Dragon)
- Conditions precedent : The Pre-IPO Share Options will only become valid upon (i) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, any Precious Dragon Shares to be issued and allotted pursuant to the exercise of the Pre-IPO Share Options granted under the Precious Dragon Pre-IPO Share Option Scheme; and (ii) commencement of trading of the Precious Dragon Shares on the Stock Exchange
- Consideration for the grant of the Pre-IPO Share Options : HK\$1 to be paid by each Grantee upon acceptance of the Pre-IPO Share Options granted
- Exercise price of the Pre-IPO Share Options granted : HK\$2.17 per Pre-IPO Share Option
- Number of the Pre-IPO Share Options granted : 7,765,000 Pre-IPO Share Options (each of which shall entitle the holder to subscribe for one Precious Dragon Share)
- Market price of the Precious Dragon Shares on the Date of Grant : No Precious Dragon Shares are traded on the Stock Exchange on the Date of Grant
- Vesting condition and validity period of the Pre-IPO Share Options : The Pre-IPO Share Options conditionally granted to the Grantees are subject to the following vesting and exercise period:
- (i) 50% of the Pre-IPO Share Options shall become vested and exercisable on the 1st anniversary date of the Listing Date (the “**1st Vesting Date**”), and the exercise period in respect thereof shall commence on the 1st Vesting Date and end on the day immediately before the 10th anniversary date of the offer date (the “**Expiration Date**”) (both dates inclusive); and

- (ii) 50% of the Pre-IPO Share Options shall become vested and exercisable on the 2nd anniversary date of the Listing Date (the “**2nd Vesting Date**”), and the exercise period in respect thereof shall commence on the 2nd Vesting Date and end on the Expiration Date (both dates inclusive).

Out of the Pre-IPO Share Options granted, 500,000 Pre-IPO Share Options were granted to each of Ms. Ko and Mr. Alex Lin. Since Ms. Ko and Mr. Alex Lin are the executive directors of the Company as at the date of this announcement, the grant of the Pre-IPO Share Options to Ms. Ko and Mr. Alex Lin has been approved by the independent non-executive directors of the Company before such grant in accordance with Rule 17.04(1) of the Listing Rules.

In addition, since Ms. Ko, Ms. Flora Lin and Mr. Alex Lin are the wife, daughter and son of Mr. Lin Wan Tsang, respectively, who is the substantial shareholder of the Company, Ms. Ko, Ms. Flora Lin and Mr. Alex Lin are the associates of the substantial shareholder of the Company under the Listing Rules. On the basis of a total of 234,544,750 Precious Dragon Shares which are expected to be issued immediately after completion of the Proposed Spin-off and on the Listing Date, the Company confirms that the Precious Dragon Shares to be issued upon the exercise of the Pre-IPO Share Options to Ms. Ko, Ms. Flora Lin and Mr. Alex Lin will be over 0.1% of the issued share capital of Precious Dragon after completion of the Proposed Spin-off, but the aggregate value which is based on the exercise price of the Pre-IPO Share Options as at the Date of Grant, is expected not to exceed HK\$5 million. Accordingly, the grant of the Pre-IPO Share Options to Ms. Ko, Ms. Flora Lin and Mr. Alex Lin under the Precious Dragon Pre-IPO Share Option Scheme does not need to be approved by the Shareholders under Rule 17.04(1) of the Listing Rules.

Save as disclosed above, none of the Grantees is a director, chief executive or substantial shareholder of the Company, or their respective associates (as defined under the Listing Rules).

GENERAL

Shareholders of and potential investors in the Company should note that no decision has been made by the Board on whether the Distribution will or will not be declared. The listing of the Precious Dragon Shares pursuant to the Proposed Spin-off is also subject to, among other things, the Listing Approval and the final decisions of the respective boards of the Company and Precious Dragon. Accordingly, shareholders of and potential investors in the Company should be aware that there is no assurance that the Proposed Spin-off will take place or as

to when it may take place. If the Proposed Spin-off does not proceed for any reason, the Distribution will not be made. Accordingly, shareholders of and investors in the Company should exercise caution when dealing in or investing in the shares of the Company.

Further announcement(s) will be made by the Company in relation to the Proposed Spin-off as and when appropriate.

By Order of the Board of
China Aluminum Cans Holdings Limited
中國鋁罐控股有限公司
Lin Wan Tsang
Chairman and executive Director

Hong Kong, 17 May 2019

As at the date of this notice, the executive Directors are Mr. Lin Wan Tsang, Mr. Dong Jiangxiong, Ms. Ko Sau Mee and Mr. Lin Hing Lung; the non-executive Director is Mr. Kwok Tak Wang; and the independent non-executive Directors are Dr. Lin Tat Pang, Ms. Guo Yang, Mr. Chung Yi To and Mr. Yip Wai Man Raymond.