Yestar International Holdings Company Limited
巨星國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2393)

ANNOUNCEMENT
SUBSCRIPTION OF SUBSCRIPTION SHARES BY SUBSCRIBERS UNDER GENERAL MANDATE

Joint Placing Agents

SUBSCRIPTION

The Board is pleased to announce that on 28 June 2015, the Company and each of 18 Subscribers, who and whose respective close associates and whose respective ultimate beneficial owners are not connected persons of the Company and its connected persons, entered into the Subscription Agreements, pursuant to which (i) the Subscribers conditionally agreed to subscribe for and the Company conditionally agreed to allot and issue not more than 320,400,000 Subscription Shares in aggregate at the Subscription Price of HK$3.00 per Subscription Share.

The Subscription Price is at HK$3.00 per Share, which represents (i) a discount of approximately 17.81% to the closing price of HK$3.65 per Share as quoted on the Stock Exchange on 26 June 2015, being the last trading day prior to the date of the Subscription Agreement; (ii) a discount of approximately 18.48% to the average closing price of approximately HK$3.68 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Subscription Agreements; (iii) a discount of approximately 18.70% to the closing price of approximately HK$3.69 per Share as quoted on the Stock Exchange for the last ten consecutive trading days prior to the date of the Subscription Agreement.

The aggregate gross and net proceeds from the Subscription will be approximately HK$961,200,000 and approximately HK$938,677,971, respectively. The Company intends to utilise part of the net proceeds from the Subscription for the purpose of financing part of the consideration for the Acquisition and possible future potential acquisition and increasing the general working capital purpose. Also, the Subscription Shares to be allotted and issued to Subscribers will broaden the Shareholders base and enhance the profile of the Company. The net Subscription Price will be HK$2.93 per Subscription Share.

The Subscription Shares will be conditionally allotted and issued under the general mandate granted to the Directors at the AGM of the Company held on 8 May 2015. As at the date of this announcement, no Shares have been allotted and issued pursuant to the aforesaid general mandate, and the issue of the Subscription Shares will not be subject to the approval by the Shareholders.

As at the date of this announcement, the authorised share capital of the Company is HK$100,000,000 divided into 4,000,000,000 Shares of HK$0.025 each, of which 1,867,500,000 Share are in issue.

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of the approval for the listing of, and permission to deal in, the Subscription Shares.

As the Completion of the Subscription are subject to the satisfaction of certain conditions precedent, the Subscription may or may not proceed. Shareholders and potential Subscribers are advised to exercise caution when dealing in the Shares.

The Board is pleased to announce that on 28 June 2015, the Company and each of 18 Subscribers, who and whose respective close associates and whose respective ultimate beneficial owners are not connected persons of the Company and its connected persons, entered into the Subscription Agreements, pursuant to which (i) the Subscribers conditionally agreed to subscribe for and the Company conditionally agreed to allot and issue not more than 320,400,000 Subscription Shares in aggregate at the Subscription Price of HK$3.00 per Subscription Share.

THE SUBSCRIPTION AGREEMENTS

Date: 28 June 2015

Parties: The Company; and

Each of the Subscribers

Subscription

Subscription Shares

Subscription Shares will be conditionally allotted and issued by the Company pursuant to the terms and subject to the conditions set out in each of the Subscription Agreements. The Subscription Shares, when issued and fully paid, will rank pari passu among themselves and with Shares in issue at the time of issue and allotment of the Subscription Shares.

The number of the Subscription Shares is 320,400,000, representing approximately 17.16% and 14.64%, respectively, of the issued shares and the issued shares as enlarged by the allotment and issue of the Subscription Shares (assuming that there is no change in the issued shares of the Company from the date of this announcement to the completion of the Subscription save for the issue of the Subscription Shares) pursuant to the terms and subject to the conditions set out in each of the Subscription Agreements, which is summarized and set out under the paragraph headed "Conditions Precedent of the Subscription". The aggregate nominal value of the Subscription Shares under the Subscription will be HK$8,010,000.

The aggregate amount of the Subscription Shares will be HK$961,200,000, which shall be payable in cash and in HK$ by Subscribers to the Company on the date of completion of Subscription.

Subscription Price

The Subscription Price is at HK$3.00 per Share, which represents (i) a discount of approximately 17.81% to the closing price of HK$3.65 per Share as quoted on the Stock Exchange on 26 June 2015, being the last trading day prior to the date of the Subscription Agreement; and (ii) a discount of approximately 18.48% to the average closing price of approximately HK$3.68 per Share as quoted on the Stock Exchange for the last five consecutive trading days prior to the date of the Subscription Agreements; (iii) a discount of approximately 18.70% to the closing price of approximately HK$3.69 per Share as quoted on the Stock Exchange for the last ten consecutive trading days prior to the date of the Subscription Agreement.

The Subscription Price has been negotiated and arrived at on an arm's length basis and by reference to the market conditions. The Directors are of the opinion that the Subscription Price is fair and reasonable and is in the best interests of the Company and the Shareholders as a whole

The net Subscription Price will be HK$2.93 per Subscription Share.

Conditions Precedent of the Subscription

The Completion of the Subscription is conditional upon:

(a) the grant of the listing of and permission to deal in the Subscription Shares by the Listing Committee of the Stock Exchange (and such listing and permission not subsequently revoked prior to the Completion of the Subscription);

(b) there not having come to the attention of the Subscribers at any time prior to the Completion of the Subscription (i) any material breach of, or any event rendering untrue, inaccurate or misleading in any material respect, any of the representations, warranties or undertakings of the Company under the Subscription Agreement had such representations or warranties been repeated at any time before the Completion of the Subscription; or (ii) any material breach of, or failure to perform, any of the other obligations of the Company required to be performed at or before the Completion of the Subscription; and

(c) there not having come to the attention of the Company at any time prior to the Completion of the Subscription (i) any material breach of, or any event rendering untrue, inaccurate or misleading in any material respect, any of the representations, warranties or undertakings of the Subscriber under the Subscription Agreement had such representations or warranties been repeated at any time before the Completion of the Subscription; or (ii) any material breach of, or failure to perform, any of the other obligations of the Subscriber required to be performed at or before the Completion of the Subscription.

The above-mentioned condition (b) may be waived, in whole or in part by the Subscribers, by notice in writing to the Company. The above-mentioned condition (c) may be waived, in whole or in part by the Company, by notice in writing to the Subscribers.

The Company shall, as soon as is reasonably practicable after the signing of the Subscription Agreements, apply to the Stock Exchange for the granting of the listing of, and permission to deal in, the Subscription Shares after the executions of the Subscription Agreements and the Company shall use its best endeavors to obtain the granting of such listing and permission to deal by the Listing Committee of the Stock Exchange as soon as is reasonably practicable and will inform the Subscribers promptly following the granting of the same. The Company shall furnish such information, supply such documents, pay such fees and do all such acts and things as may reasonably be required by the SFC and/or the Stock Exchange in connection with the fulfilment of the above-mentioned condition (a). The Subscribers shall provide the Company with such necessary assistance as may be reasonably requested by the Company in connection with the fulfilment of the above-mentioned condition (a).

In the event that the conditions precedent are not satisfied or waived in accordance with the Subscription Agreement by Long Stop Date, the parties shall then consult each other and discuss a later date for the satisfaction of the conditions precedent and the completion as the parties may agree in writing. In the event that the parties cannot agree to a later date within five business day after the Long Stop Date, either party shall be entitled to terminate the Subscription Agreement by written notice to the other party and the Subscription Agreement and all rights and obligations of the parties hereunder shall cease and terminate save for accrued rights and obligations of the parties under the Subscription Agreement.

Completion of the Subscription

Subject to the fulfilment or waiver of the above-mentioned conditions, the Completion of the Subscription shall take place at principal place of business of the Company in Hong Kong at 9:00 a.m. Hong Kong time on the third business day following the date on which the last in time of the conditions precedent shall have been satisfied or waived in accordance with the Subscription Agreements, or such other place, time or date as the parties may agree in writing (such date being the "**Completion Date**").

The Subscribers shall on the Completion Date make full payment of the aggregate amount of the Subscription Shares (together with such SFC transaction levy and the Stock Exchange trading fee payable by the Subscriber, if applicable) in Hong Kong dollars in immediately available funds without any deduction or set-off by direct transfer to the designated account and such transfer into the designated account shall constitute a complete discharge of the Subscriber's obligations in respect of the aggregate amount of the Subscription Shares.

Subject to the Subscriber's fulfillment of its above-mentioned obligations as set out under the paragraph headed "Completion of the Subscription", at the Completion of the Subscription, the Company shall, at the option of the Subscriber:

(a) allot and issue to the Subscribers their respective Subscription Shares and shall promptly thereafter register these Subscribers as the holders of their respective Subscription Shares and shall send to these Subscribers the scanned copies of the definitive certificates of title in respect of their respective Subscription Shares in the name of these Subscribers; or

(b) deliver to the branch share registrar of the Company in Hong Kong (i) a certified copy of the board resolution authorizing the allotment and issue of the Subscription Shares, and (ii) copies of instruction letters, placing forms, stock deposit forms and other documents issued by the Company or its placing agent(s) required for the deposit of the Subscription Shares in CCASS; and

(c) issue an irrevocable delivery instruction to its branch share registrar of the Company in Hong Kong to effect a book entry settlement of the Subscription Shares in accordance with the rules and the operational procedures of CCASS to the credit of the stock account of the Subscriber's designated CCASS Participant in accordance with details provided by the Subscribers to the Company.

If any of the Subscribers chooses to receive definitive certificates of title in respect of their respective Subscription Shares, the above-mentioned obligations of the Company as set out under the paragraph headed "Completion of the Subscription" shall be completely discharged at the time of issuance of such definitive certificates. The receipt or failure to receipt of such definitive certificates by such Subscriber shall not affect the Completion of the Subscription. Such definitive certificates will be sent to such Subscriber by courier at such Subscriber's address set in the Subscription Agreement, unless such Subscriber has chosen to collect such definitive certificates in person at the branch share registrar of the Company in Hong Kong. Such Subscriber shall bear its own risks of any failure or delay in delivery of such definitive certificates. Such Subscriber expressly acknowledges that in the event that it has chosen to receive the Subscription Shares in physical form, it will, at its own risks and costs, convert the Subscription Shares in physical form into electronic form and deposit the same into CCASS for trading on the Main Board of the Stock Exchange.

Restriction on Further Issue of Shares

The Company undertakes to the Joint Placing Agents that for a period of six months from the date of this announcement, the Company will not, except for the Subscription Shares, allot or offer or enter into any agreement to allot or issue or grant or enter into any agreement to grant any option, right to subscribe any Shares or any interests in Shares or any securities convertible into or exercisable or exchangeable to any Shares or interest in Share, provided that the foregoing restrictions shall not apply to the issue of Shares by the Company that satisfies each of the following conditions:

(a) such issue of Shares shall be within the maximum number of Shares permitted to be issued pursuant to the Company's unused general mandate;

(b) the aggregate subscription shall be to no more than 4 professional and institutional investors; and

(c) such issue of Shares shall be at a price that is at or above the issue price of HK$3.00 per Share.

Termination

Any of the Subscription Agreements may be terminated:

(a) by either party in writing to the other party in the event that the conditions precedent are not satisfied or waived in accordance with the Subscription Agreement by the Long Stop Date and the parties to such Subscription Agreement cannot agree to a later date within five business day after the Long Stop Date;

(b) by either party in writing to the other party in the event that the respective obligations of the Company and the Subscriber as set out under the paragraph headed "Completion of the Subscription" are not complied with on the Completion Date;

(c) by either party in the event there is a material breach of the Subscription Agreement on the part of the other party; or

(d) with the written consent of both parties to such Subscription Agreement.

In the event that any of the Subscription Agreements is terminated pursuant to the above-mentioned situations, neither party shall have any claim under such Subscription Agreement of any nature against the other party except in respect of any rights and liabilities which have accrued before termination of such Subscription Agreement.

Each party shall inform the other party immediately of any matter which in its reasonable opinion would entitle that other party to terminate such Subscription Agreement.

Additional or Different Terms under Certain Subscription Agreements

Lock-up

The Company, Vivo VII Galaxy Investment Limited, Worldwide Healthcare Trust PLC and OrbiMed Global Healthcare Master Fund, L.P., three of the Subscribers, have agreed to an additional term as set out below:

Vivo VII Galaxy Investment Limited, Worldwide Healthcare Trust PLC and OrbiMed Global Healthcare Master Fund, L.P. further undertake to the Company that each of them will not, whether directly or indirectly, at any time during the period of six months starting from the Completion Date, sell, agree to sell, or otherwise transfer or dispose of, or agree to transfer or dispose of, any of their respective Subscription Shares or any interests in their respective Subscription Shares.

Delay Completion of the Subscription (Worldwide Healthcare Trust PLC and OrbiMed Global Healthcare Master Fund, L.P)

In respect of the Completion of the Subscription, the Company, Worldwide Healthcare Trust PLC and Orbimed Global Healthcare Master Fund, L.P. have agreed to a different term as set out below:

Subject to the fulfilment or waiver of the above-mentioned conditions set out under the paragraph headed "Completion of the Subscription", the Completion shall take place at the principal place of business of the Company in Hong Kong at 9:00 a.m. Hong Kong time on the later of the fifteenth business day after the date of the Subscription Agreement or the third business day following the date on which the last in time of the conditions precedent shall have been satisfied or waived in accordance with the Subscription Agreement. The Completion shall take place concurrently with the Completion of the Subscription by Vivo VII Galaxy Investment Limited.

Delay Completion of the Subscription (Vivo VII Galaxy Investment Limited)

In respect of the Completion of the Subscription, the Company and Vivo VII Galaxy Investment Limited have agreed to a different term as set out below:

Subject to the fulfilment or waiver of the above-mentioned conditions set out under the paragraph headed "Completion of the Subscription", the Completion shall take place at the principal place of business of the Company in Hong Kong at 9:00 a.m. Hong Kong time on the later of the fifteenth business day after the date of the Subscription Agreement or the third business day following the date on which the last in time of the conditions precedent shall have been satisfied or waived in accordance with the Subscription Agreement. The Completion shall take place concurrently with the Completion of the Subscription by Worldwide Healthcare Trust PLC and Orbimed Global Healthcare Master Fund, L.P.

Delay Completion of the Subscription (China Asset Management Co., Ltd.)

In respect of the Completion of the Subscription, the Company and China Asset Management Co., Ltd. have agreed to the different terms as set out below:

(a) Subject to the fulfilment or waiver of the above-mentioned conditions set out under the paragraph headed "Completion of the Subscription", the Completion shall take place at the principal place of business of the Company in Hong Kong at 9:00 a.m. Hong Kong time on the later of the twenty first business day after the date of the Subscription Agreement or the third business day following the date on which the last in time of the conditions precedent shall have been satisfied or waived in accordance with the Subscription Agreement (such date being the "**CAM Completion Date**").

(b) Where the Subscriber chooses to collect definitive certificates of title in person at the branch share registrar of the Company in Hong Kong, the Subscriber may collect such certificate at any time after 9:00 am on the CAM Completion Date. Where the Subscriber requests the Company to send the Subscriber the definitive certificates of title by courier, the Company shall arrange for pickup of such certificates by courier on the CAM Completion Date or the following day.

As the Completion of the Subscription are subject to the satisfaction of certain conditions precedent, the Subscription may or may not proceed. Shareholders and potential Subscribers are advised to exercise caution when dealing in the Shares.

GENERAL MANDATE OF TO ISSUE THE SUBSCRIPTION SHARES

The Subscription Shares will be conditionally allotted and issued under the general mandate granted to the Directors at the AGM of the Company held on 8 May 2015. Under this general mandate, the Directors are allowed to allot and issue up to 373,500,000 Shares. As at the date of this announcement, no Shares have been allotted and issued pursuant to the aforesaid general mandate and therefore, the Company is allowed to issue up to 373,500,000 Shares under such general mandate. Accordingly, the allotment and the issue of the Subscription Shares is not subject any further approval by the Shareholders.

As at the date of this announcement, the authorised share capital of the Company is HK$100,000,000 divided into 4,000,000,000 Shares of HK$0.025 each, of which 1,867,500,000 Share are in issue.

PLAN OF THE PLACING

The Company has engaged Credit Suisse (Hong Kong) Limited and Haitong International Securities Company Limited as the Joint Placing Agents to assist the Company in procuring and receiving offers from the Subscribers under the Subscription Agreements.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS FROM THE SUBSCRIPTION

The aggregate gross and net proceeds from the Subscription will be approximately HK$961,200,000 and approximately HK$938,677,971, respectively. The Company intends to utilise part of the net proceeds from the Subscription for the purpose of financing part of the consideration for the Acquisition and possible future potential acquisition and increasing the general working capital purpose. Also, the Subscription Shares to be allotted and issued to Subscribers will broaden the Shareholders base and enhance the profile of the Company.

The Directors are of the opinion that the terms of the Subscription Agreements, including but not limited to the Subscription Price, are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not carried out any equity fund raising activities during the 12 months immediately preceding the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE

The existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon completion of the Subscription is set out below.

	As at the date this announcement		**Immediately after the Completion of the Subscription**	
	Number of Shares	*Approximately % of shareholding*	*Number of Shares*	*Approximately % of shareholding*
Subscribers	0	0	320,400,000	14.64
Controlling Shareholders	1,327,185,000	71.07	1,327,185,000	60.66
Other public Shareholders	540,315,000	28.93	540,315,000	24.70
Total	1,867,500,000	100	2,187,900,000	100

INFORMATION ON THE GROUP

The Group is one of the leading providers of colour photographic paper in the PRC and a provider of a broad range of imaging products in the PRC. The Group processes colour photographic paper, various image printing films and medical imaging films into ready-to-use form by cutting and slitting master rolls into customized sizes and packaging the products under precisely controlled processing conditions. Since the acquisition of Jiangsu Uno Technology Development Company Limited (江蘇歐諾科技發展有限公司), the Company has also become a major In Vitro Diagnostic product distributor of the Roche Diagnostic and Becton Dickson.

INFORMATION ON THE CERTAIN SUBSCRIBERS

OrbiMed Advisors LLC is a leading investment firm dedicated exclusively to the healthcare sector, with approximately $15 billion in assets under management. OrbiMed Advisors LLC invests globally across the spectrum of healthcare companies, from venture capital start-ups to large multinational companies. OrbiMed Advisors LLC's team of more than 80 employees manages a series of private equity funds, public equity funds, royalty/debt funds and other investment vehicles. OrbiMed Advisors LLC maintains its headquarters in New York City, with additional offices in San Francisco, Shanghai, Mumbai and Herzliya.

Vivo VII Galaxy Investment Limited, being one of the Subscribers, is a company incorporated in the Cayman Islands which is controlled by Vivo Ventures Fund VII, L.P, an affiliate of Vivo Capital. Founded in 1996, Vivo Capital is a healthcare investment firm focused on investing in and building high quality companies in the U.S. and China. With more than US$1.7 billion under management, Vivo Capital employs a unique multi-pronged strategy of identifying and working with companies with promising later development stage products in the U.S. and revenue stage companies in China. Vivo Capital has offices in Palo Alto, Beijing and Shanghai.

LISTING APPLICATION

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and for the permission to deal in, the Subscription Shares.

DEFINITIONS

"Acquisition"	the acquisition of the 70% of the entire equity interest in various companies by 廣西巨星醫療設備有限公司 (Guangxi Yestar Medical Equipment Co., Ltd*), a wholly-owned subsidiary of the Company as stated in the Company's announcement dated 10 April 2015
"AGM"	the annual general meeting of the Company
"Board"	the board of Directors
"CCASS"	Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
"Company"	Yestar International Holdings Company Limited (巨星國際控股有限公司), a company incorporated in the Cayman Islands with limited liabilities, the Shares of which are listed on the Stock Exchange
"Completion of the Subscription"	completion of the Subscription of the Subscription Shares in accordance with the Subscription Agreements
"connected person(s)"	has the meaning as ascribed to it under the Listing Rules
"Director(s)"	Director(s) of the Company
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong Dollar, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Joint Placing Agents"	together, Credit Suisse (Hong Kong) Limited and Haitong International Securities Company Limited

"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	the first business day which falls four months after the date of the Subscription Agreements or such other date as the parties may agree in writing
"Participant"	a person admitted for the time being by Hong Kong Securities Clearing Company Limited as a participant of CCASS
"PRC"	the People's Republic of China, but for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"SFC"	Securities and Futures Commission
"Share(s)"	the ordinary share(s) of par value of HK$0.025 each in the issued share capital of the Company which are listed and traded on the Stock Exchange
"Shareholders"	holders of Shares of the Company
"Stock Exchange"	the Stock Exchange of Hong Kong Limited
"Subscribers"	the subscribers of the Subscription Shares under the Subscription Agreements
"Subscription"	the subscription of the Subscription Shares upon and subject to the terms and conditions of the Subscription Agreements
"Subscription Agreements"	the agreements dated 28 June 2015 entered into between the Company and each of the Subscribers
"Subscription Price"	the price of HK$3.00 per Subscription Share
"Subscription Shares"	new Shares to be conditionally allotted and issued by the Company to the Subscribers pursuant to the Subscription Agreements
"substantial shareholder"	has the meaning as ascribed to it under the Listing Rules
"%"	percentage

By Order of the Board
Yestar International Holdings Company Limited
巨星國際控股有限公司
Hartono James
Chairman, CEO and Executive Director

Hong Kong, 29 June 2015

As at the date of this announcement, the executive Directors are Mr. Hartono James, Ms. Wang Ying, Mr. Chan To Keung, Ms. Wang Hong, Ms. Zhang Qi and Ms. Heng Yinmei; and the independent non-executive Directors are Dr. Hu Yiming, Mr. Karsono Tirtamarta (Kwee Yoe Chiang) and Mr. Sutikno Liky.

In case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.

* *For identification purposes only*