NOT FOR DISTRIBUTION IN THE UNITED STATES

Yes!Star

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)

PROPOSED ISSUANCE OF SENIOR NOTES

The Company proposes to conduct the Proposed Notes Issue. Completion of the Proposed Notes Issue is subject to market conditions and investor interest. Pricing of the Notes, including the aggregate principal amount, the Offer Price and interest rate, will be determined through a book building exercise to be conducted by BofA Merrill Lynch as the sole global coordinator, and BofA Merrill Lynch, Credit Suisse, Deutsche Bank and Haitong International as the joint bookrunners and joint lead managers. Upon finalization of the terms of the Notes, BofA Merrill Lynch, Credit Suisse, Deutsche Bank, Haitong International and the Company, among others, will enter into the Purchase Agreement. If the Notes are issued, the Company currently intends to use the proceeds of the Notes to refinance existing indebtedness, fund capital expenditure of the Group and/or finance further acquisitions and for general corporate purposes. The Company may adjust the foregoing plans in response to changing market conditions and reallocate the use of proceeds from the Proposed Notes Issue.

The Company will seek a listing of the Notes on the Stock Exchange. A confirmation of the eligibility for the listing of the Notes has been received from the Stock Exchange. Admission of the Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Notes.

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialize. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. Further announcements in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

THE PROPOSED NOTES ISSUE

Introduction

The Company proposes to conduct the Proposed Notes Issue. Completion of the Proposed Notes Issue is subject to market conditions and investor interest. Pricing of the Notes, including the aggregate principal amount, the Offer Price and interest rates, will be determined through a book building exercise to be conducted by BofA Merrill Lynch as the sole global coordinator, and BofA Merrill Lynch, Credit Suisse, Deutsche Bank and Haitong International as the joint bookrunners and joint lead managers. The Notes, if issued, will be repayable at maturity, unless earlier redeemed or repurchased pursuant to their terms. The Notes are expected to be secured by the capital stock of certain of the Company's offshore subsidiaries. As at the date of this announcement, the amount, terms and conditions of the Proposed Notes Issue have yet to be determined. Upon finalization of the terms of the Notes, BofA Merrill Lynch, Credit Suisse, Deutsche Bank, Haitong International and the Company, among others, will enter into the Purchase Agreement, pursuant to which BofA Merrill Lynch, Credit Suisse, Deutsche Bank and Haitong International will be the initial purchasers of the Notes. A further announcement in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

The Proposed Notes Issue will only be offered outside the United States, in compliance with Regulation S under the Securities Act. None of the Notes will be offered to the public in Hong Kong and none of the Notes will be placed to any Connected persons of the Company.

Information about the Group

The Group is a high-margin medical consumable company with a focus on the *in vitro* diagnostic, or IVD, market. The Group also manufactures and distributes medical imaging products and is the exclusive distributor of Fujifilm color photographic papers in the PRC. It distributes a broad range of IVD products from Roche Diagnostics, Becton Dickinson and Thermo Fisher Scientific which primarily consist of reagent products, for detecting and monitoring various types of diseases, such as cancers, hepatitis and tuberculosis, typically conducted in hospitals, clinics and laboratories. The Group also distributes Fujifilm and Yes!Star branded medical films, color photographic papers and industrial imaging products in the PRC.

Proposed use of proceeds

The Company intends to use the net proceeds to refinance existing indebtedness, fund capital expenditure of the Group and/or finance further acquisitions and for general corporate purposes.

The Company may adjust the foregoing plans in response to changing market conditions and reallocate the use of proceeds from the Proposed Notes Issue.

Listing and rating

The Company will seek a listing of the Notes on the Stock Exchange. A confirmation of the eligibility for the listing of the Notes has been received from the Stock Exchange. Admission of the Notes to the Stock Exchange is not to be taken as an indication of the merits of the Company or the Notes.

The Company has been rated "Ba3" by Moody's Investors Service, "BB-" by S&P Global Ratings and "BB-" by Fitch Ratings Ltd. The Notes are expected to be rated "Ba3" by Moody's Investors Service and "BB-" by Fitch Ratings Ltd. The credit ratings accorded to the Notes are not a recommendation to purchase, hold or sell the Notes in as much as such ratings do not comment as to market price or suitability for a particular investor.

As no binding agreement in relation to the Proposed Notes Issue has been entered into as at the date of this announcement, the Proposed Notes Issue may or may not materialize. Investors and shareholders of the Company are urged to exercise caution when dealing in the securities of the Company. Further announcements in respect of the Proposed Notes Issue will be made by the Company should the Purchase Agreement be signed.

DEFINITIONS

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

"Board"	the board of Directors of the Company
"BofA Merrill Lynch"	Merrill Lynch International, the sole global coordinator and one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue
"Company"	Yestar International Holdings Company Limited 巨星國際控股有限公司, a company incorporated under the laws of the Cayman Islands with limited liability and whose shares are listed on the Stock Exchange
"Connected person"	has the meaning ascribed to it under the Listing Rules
"Credit Suisse"	Credit Suisse (Hong Kong) Limited, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue
"Deutsche Bank"	Deutsche Bank AG, Singapore Branch, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue

"Directors"	the directors of the Company
"Group"	the Company and its subsidiaries
"Haitong International"	Haitong International Securities Company Limited, one of the joint bookrunners and joint lead managers in respect of the Proposed Notes Issue
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Notes"	the senior notes to be issued by the Company
"Offer Price"	the final price at which the Notes will be sold to the initial purchasers thereof
"PRC"	the People's Republic of China
"Proposed Notes Issue"	the proposed issue of the Notes by the Company
"Purchase Agreement"	the agreement proposed to be entered into between, among others, the Company, BofA Merrill Lynch, Credit Suisse, Deutsche Bank and Haitong International in relation to the Proposed Notes Issue
"Securities Act"	the United States Securities Act of 1933, as amended
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"United States"	the United States of America

By order of the Board
Yestar International Holdings Company Limited
Hartono James
Chairman, CEO and Executive Director

Hong Kong, 7 September 2016

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