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**SUSTAINABLE FOREST HOLDINGS LIMITED**

**永保林業控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 723)**

**THE STOCK EXCHANGE’S NOTICE TO SUSPEND TRADING IN THE  
COMPANY’S SHARES AND PLACE THE COMPANY IN THE FIRST  
DELISTING STAGE**

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

**THE STOCK EXCHANGE’S NOTICE TO SUSPEND TRADING IN THE  
COMPANY’S SHARES AND PLACE THE COMPANY IN THE FIRST DELISTING  
STAGE**

The Company has received a letter dated 9 February 2018 from the Stock Exchange (the “**Letter**”), which serves as a notice that the Stock Exchange has decided to suspend trading in the Shares under Rule 6.01(3) and place the Company in the first delisting stage under Practice Note 17 of the Listing Rules (the “**Decision**”) after having considered, among others, the following:

- (i) the Group’s principal businesses of forest-related business, money lending business and property leasing business (the “**Businesses**”) have been deteriorating and are in a low level of operations which is insufficient to justify the Company’s continued listing;

*\* For identification purpose only*

- (ii) the Company has not demonstrated that there will be a substantial improvement of the Businesses and that they would generate sufficient revenue and profit to support the Group's operations; and
- (iii) the level of the Group's assets as at 30 September 2017 fails to demonstrate that the Group has assets of sufficient value to warrant the continued listing of the Shares.

Pursuant to the Letter, the Company is required to submit a resumption proposal to demonstrate that it has a sufficient level of operations or assets as required by Rule 13.24 of the Listing Rules at least 10 business days (i.e. 25 July 2018) before the expiry of a period of six months from the date of the Letter (i.e. 8 August 2018). At the end of the period, the Stock Exchange will decide whether to place the Company in the second delisting stage.

Under Rule 2B.06(1) of the Listing Rules, the Company has the right to have the Decision reviewed by the Listing Committee (as defined in the Listing Rules). If the Company does not make any review application by 21 February 2018, trading in the Shares will be suspended from 9:00 a.m. on 22 February 2018. Before that, trading in the Shares will continue. The Company is in the process of reviewing the Letter internally and with external advisers and would actively consider lodging a request for the Decision be referred to the Listing Committee for review.

The Directors remind the Shareholders and potential investors that (i) the Company may or may not proceed with the review by the Listing Committee; and (ii) the outcome of such review is uncertain, if undertaken.

Further announcements will be made by the Company as and when appropriate and in accordance with the requirements of the Listing Rules. Shareholders who have any queries about the implications of the Decision are advised to obtain appropriate professional advice.

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

## **DEFINITIONS**

“Board”	Board of Directors of the Company
“Company”	Sustainable Forest Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange

“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholders”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board  
**Sustainable Forest Holdings Limited**  
**Yeung Sau Chung**  
*Chairman*

Hong Kong, 9 February 2018

*As at the date of this announcement, the Board comprises Mr. Yeung Sau Chung (Chairman), Ms. Wang Jingyu, Ms. Lai Yin Ling and Ms. Chan Yuk Yee as Executive Directors; and Yam Kwong Chun, Mr. Chiang Bun and Mr. Chai Chi Keung as Independent Non-executive Directors.*