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**AKM Industrial Company Limited**

**安捷利實業有限公司**

*(incorporated in Hong Kong with limited liability under the Companies Ordinance)*

**(Stock Code: 8298)**

**COMPLETION OF SUBSCRIPTION OF  
NEW SHARES UNDER SPECIFIC MANDATE;  
COMPLETION OF PLACING OF  
NEW SHARES UNDER SPECIFIC MANDATE; AND  
APPOINTMENT OF NON-EXECUTIVE DIRECTOR**

**Placing Manager**



**GUOTAI JUNAN SECURITIES (HONG KONG) LIMITED**

**Financial Adviser**



**GUOTAI JUNAN CAPITAL LIMITED**

The Board is pleased to announce that all the conditions of the Shares Subscription as set out in the Subscription Agreement have been fulfilled. Completion of the Shares Subscription took place on 27 January 2014, pursuant to which 290,920,000 Subscription Shares have been allotted and issued to Goertek HongKong at the Subscription Price of HK\$0.513 per Subscription Share.

The Board is also pleased to announce that all the conditions of the Placing as set out in the Placing Agreement have been fulfilled. Completion of the Placing took place on 27 January 2014, pursuant to which 132,150,000 Placing Shares have been allotted and issued to not less than six Placees at the Placing Price of HK\$0.513 per Placing Share.

Pursuant to the terms of the Subscription Agreement, GoerTek is entitled to nominate one non-executive Director to the board of Directors of the Company upon completion of the Subscription Agreement. GoerTek has nominated Mr. Gong Jiantang to the Board and Mr. Gong Jiantang has been appointed as a non-executive Director of the Company with effect from 27 January 2014.

Reference is made to the announcements of AKM Industrial Company Limited (“**Company**”) dated 27 November 2013 and 27 December 2013 (“**Announcements**”) and the circular of the Company dated 9 December 2013 (“**Circular**”) in relation to, among others, the proposed subscription of new shares of the Company by GoerTek under a specific mandate and the proposed placing of new shares of the Company under a specific mandate. Unless otherwise stated, terms used in this announcement shall have the same meanings as those defined in the Announcements and the Circular.

## **COMPLETION OF THE SUBSCRIPTION**

The Board is pleased to announce that all the conditions of the Shares Subscription as set out in the Subscription Agreement have been fulfilled. Prior to the completion of the Shares Subscription, the Company received a written notice from GoerTek for the nomination of Goertek (HongKong) Co., Limited (“**Goertek HongKong**”), a wholly-owned subsidiary of GoerTek, to be registered as the shareholder of the Subscription Shares pursuant to the Subscription Agreement. Completion of the Shares Subscription took place on 27 January 2014, pursuant to which, 290,920,000 Subscription Shares, representing approximately 29.90% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Placing Shares, have been allotted and issued to Goertek HongKong at the Subscription Price of HK\$0.513 per Subscription Share. The net proceeds from the Shares Subscription is approximately HK\$148.37 million.

## **COMPLETION OF THE PLACING**

The Board is also pleased to announce that all the conditions of the Placing as set out in the Placing Agreement have been fulfilled. Completion of the Placing took place on 27 January 2014, pursuant to which 132,150,000 Placing Shares, representing approximately 13.58% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares and the Placing Shares, have been allotted and issued to not less than six Placees at the Placing Price of HK\$0.513 per Placing Share. The net proceeds from the Placing is approximately HK\$65.55 million.

To the best of the Directors’ knowledge, information and belief and having made all reasonable enquiries, all Placees and their respective ultimate beneficial owner(s) are Independent Third Parties, and none of the Placees becomes a substantial shareholder (as defined in the GEM Listing Rules) of the Company as a result of the Placing.

## EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

The effect on the shareholding structure of the Company before and after completion of the Shares Subscription and the Placing are as follows:

Shareholders	Before completion of the Share Subscription and the completion of the Placing		Immediately after the completion of the Shares Subscription and the completion of the Placing	
	<i>No. of Shares</i>	<i>Approximate Percentage</i>	<i>No. of Shares</i>	<i>Approximate Percentage</i>
Alpha Luck Industrial Ltd. ("Alpha Luck") (Note 1)	360,000,000	65.47	360,000,000	37.00
Mr. Xiong Zheng Feng (Note 2)	16,750,000	3.05	16,750,000	1.72
Mr. Chai Zhi Qiang (Note 3)	13,500,000	2.45	13,500,000	1.39
Ms. Li Ying Hong (Note 4)	4,700,000	0.85	4,700,000	0.48
Mr. Liang Zhi Li	800,000	0.15	800,000	0.08
Goertek HongKong (Note 5)	–	–	290,920,000	29.90
The Places	–	–	132,150,000	13.58
Other public shareholders	154,150,000	28.03	154,150,000	15.85
<b>Total</b>	<b>549,900,000</b>	<b>100</b>	<b>972,970,000</b>	<b>100</b>

### Notes:

- As Alpha Luck is wholly and beneficially owned by Silver City International (Holdings) Ltd. ("Silver City"), which in turn is wholly and beneficially owned by China North Industries Corporation ("CNIC"), both Silver City and CNIC are deemed to be interested in the same number of shares of the Company held by Alpha Luck under Part XV of the SFO.
- Mr. Xiong Zheng Feng is interested in 16,750,000 issued shares of the Company and 2,000,000 underlying shares of the Company which reflects the share options to subscribe for shares in the Company at a subscription price of HK\$0.40 per share granted to him under a Pre-IPO Share Option Scheme adopted on 6 August 2004 ("Pre-IPO Scheme"), which position remained unchanged since the date of grant on 6 August 2004.
- Mr. Chai Zhi Qiang is interested in 13,500,000 issued shares of the Company and 2,800,000 underlying shares of the Company which reflects the share options to subscribe for shares in the Company at a subscription price of HK\$0.40 per share granted to him under the Pre-IPO Scheme, which position remained unchanged since the date of grant on 6 August 2004.
- Ms. Li Ying Hong is interested in 4,700,000 issued shares of the Company and 600,000 underlying shares of the Company which reflects the share options to subscribe for shares in the Company at a subscription price of HK\$0.40 per share granted to her under the Pre-IPO Scheme, which position remained unchanged since the date of grant on 6 August 2004.
- As Goertek HongKong is wholly and beneficially owned by Weifang Goertek Trading Co., Limited (濰坊歌爾貿易有限公司) ("Weifang Goertek"), which in turn is wholly and beneficially owned by Goertek, both Weifang Goertek and GoerTek are deemed to be interested in the same number of shares of the Company held by Goertek HongKong under Part XV of the SFO.

## **APPOINTMENT OF NON-EXECUTIVE DIRECTOR OF THE COMPANY**

Pursuant to the terms of the Subscription Agreement, GoerTek is entitled to nominate one non-executive Director to the board of Directors of the Company upon completion of the Subscription Agreement. GoerTek has nominated Mr. Gong Jiantang (宮見棠) (“**Mr. Gong**”) to the Board and Mr. Gong has been appointed as a non-executive Director of the Company with effect from 27 January 2014.

Mr. Gong, aged 41, is currently Senior Deputy General Manager of GoerTek. Mr. Gong obtained a master degree in business management from 清華大學 (Tsinghua University) in 2004 and a bachelor degree in engineering from 哈爾濱工業大學 (Harbin Institute of Technology) in 1996. Mr. Gong was previously the technical manager of 深圳華為技術有限公司 (Huawei Technologies Co., Ltd) and supervisor engineer of 一汽-大宇(煙台)汽車發動機有限公司 (FAW-Daewoo (Yantai) Automotive Engines Co., Ltd.). Mr. Gong joined GoerTek in 2004 and has been a director of GoerTek (which is listed on the Shenzhen Stock Exchange) since 28 July 2010.

Mr. Gong is appointed as a non-executive Director on 27 January 2014. Pursuant to his appointment confirmation dated 27 January 2014, Mr. Gong is not entitled to any director’s fee, but will be entitled to the reimbursement of reasonable expenses incurred incidental to his carrying out of duties as a Director. Mr. Gong’s appointment is for a term of 3 years commencing from 27 January 2014 and expiring on 26 January 2017 which term may be terminated by either Mr. Gong or the Company serving at least three calendar months’ prior notice in writing to the other party.

Save as disclosed, Mr. Gong does not hold any directorship in any other listed public company in the past three years, and does not hold any other position in the Company or any of its subsidiaries nor have any relationship with any other directors, senior management, substantial shareholders or controlling shareholders (as defined in the GEM Listing Rules) of the Company as at the date of this announcement. He does not have any interests in the shares of the Company within the meaning of Part XV of the SFO as at the date of this announcement.

Furthermore, Mr. Gong has confirmed that there is no information relating to his appointment that is required to be disclosed under Rule 17.50(2)(h) to (v) of the GEM Listing Rules, or need to be brought to the attention of the shareholders of the Company.

The Board would like to take this opportunity to welcome Mr. Gong for joining the Board.

By order of the Board  
**AKM Industrial Company Limited**  
**Xiong Zheng Feng**  
*Chairman*

Hong Kong, 27 January 2014

*As at the date of this announcement, the executive Directors are Mr. Xiong Zheng Feng, Mr. Chai Zhi Qiang and Ms. Li Ying Hong; the non-executive Directors are Mr. Meng Weiwei and Mr. Gong Jiantang; and the independent non-executive Directors are Mr. Hung Chi Yuen, Andrew, Mr. Liang Zhi Li and Mr. Bi Keyun.*

*This announcement, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

*This announcement will remain on the GEM website at <http://www.hkgem.com> on the “Latest Company Announcement” page for at least seven days from the date of its publication and on the Company’s website at <http://www.akmcompany.com> on the “Company Announcement” page.*