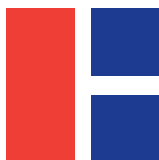


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ICO GROUP LIMITED

揚科集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8140)

PROPOSED SHARE SUBDIVISION AND PROPOSED CHANGE IN BOARD LOT SIZE

PROPOSED SHARE SUBDIVISION

The Board proposes to put forward to the Shareholders a proposal to effect the proposed Share Subdivision whereby every one (1) existing issued and unissued Share of par value of HK\$0.01 each in the share capital of the Company will be subdivided into four (4) Subdivided Shares of par value of HK\$0.0025 each. The Share Subdivision will become effective upon fulfillment of the conditions set out under the section headed “Conditions of the Share Subdivision” below.

PROPOSED CHANGE IN BOARD LOT SIZE

The Board proposes to change the board lot size for trading on the Stock Exchange from 2,000 Shares to 4,000 Subdivided Shares after and conditional upon the Share Subdivision becoming effective.

Other than the relevant expenses, including but not limited to professional fees and printing charges incurred, the implementation of the Share Subdivision and the Change in Board Lot Size will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the interests of the Shareholders. The Directors believe that the Share Subdivision will not have any material adverse effect on the financial position of the Group.

GENERAL

A circular containing, among other things, details of the Share Subdivision and the Change in Board Lot Size together with the notice of the EGM and related proxy form, will be despatched to the Shareholders on or before Monday, 14 September 2015.

* *For identification purpose only*

PROPOSED SHARE SUBDIVISION

The Board proposes to put forward to the Shareholders a proposal to effect the proposed Share Subdivision whereby every one (1) existing issued and unissued Share of par value of HK\$0.01 each in the share capital of the Company will be subdivided into four (4) Subdivided Shares of par value of HK\$0.0025 each.

Conditions of the Share Subdivision

The Share Subdivision is conditional upon (i) the passing of the ordinary resolution to approve the Share Subdivision by the Shareholders at the EGM; and (ii) the Stock Exchange granting approval to the listing of, and permission to deal in, the Subdivided Shares.

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

Assuming all the conditions are fulfilled, the Share Subdivision will become effective on the Business Day following the passing of the ordinary resolution at the EGM, which is expected to be held on Friday, 2 October 2015.

Effect of the Share Subdivision

As at the date of this announcement, the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 Shares of par value of HK\$0.01 each, of which 1,000,000,000 Shares have been issued and are fully paid or credited as fully paid. Assuming that no further Shares are issued or repurchased between the date of this announcement and the date of the EGM, immediately after the Share Subdivision becoming effective, the authorised share capital of the Company will become HK\$100,000,000 divided into 40,000,000,000 Subdivided Shares of par value of HK\$0.0025 each, of which 4,000,000,000 Subdivided Shares of par value of HK\$0.0025 each will be in issue which are fully paid or credited as fully paid following the Share Subdivision becoming effective.

Upon the Share Subdivision becoming effective, the Subdivided Shares will rank pari passu in all respects with each other and the Share Subdivision will not result in any change in the rights of the Shareholders.

Expected effective date of the Share Subdivision

Subject to the above conditions being fulfilled, the Share Subdivision is expected to become effective on Monday, 5 October 2015.

Free exchange of Subdivided Shares' certificates and trading arrangement

Subject to the Share Subdivision becoming effective, which is expected to be on Monday, 5 October 2015, Shareholders may, during the period from Monday, 5 October 2015 to Wednesday, 11 November 2015 (both days inclusive) between 9:00 a.m. and 4:00 p.m. on any Business Day, submit their Existing Share Certificate(s) in red colour to the Company's Hong Kong branch share registrar and transfer office in Hong Kong, Union Registrars Limited at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong, to exchange, at the expense of the Company, for New Share Certificate(s) of the

Subdivided Shares in blue colour. Thereafter, Existing Share Certificate(s) will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each New Share Certificate for cancellation, whichever the number of certificates issued or cancelled is higher. Nevertheless, the Existing Share Certificate(s) will continue to be good evidence of legal title and may be exchanged for New Share Certificate(s) for the Subdivided Shares at any time at the expenses of the Shareholders after Wednesday, 11 November 2015 but are not accepted for trading, settlement and registration upon completion of the Share Subdivision.

Securities convertible or exchangeable into Shares

As at the date of this announcement, the Company has not adopted any share option scheme and does not have any derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Shares are traded in board lots of 2,000 Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 2,000 Shares to 4,000 Subdivided Shares after and conditional upon the Share Subdivision becoming effective. The Change in Board Lot Size will not affect any of the relative rights of the Shareholders.

Based on the closing price of HK\$3.30 per Share (equivalent to HK\$0.825 per Subdivided Share) as quoted on the Stock Exchange on 4 September 2015, the market value of each board lot of 4,000 Subdivided Shares, assuming the Share Subdivision and the Change in Board Lot Size had already become effective, would be HK\$3,300.

Arrangement on odd lot trading

Upon the Share Subdivision becoming effective, in order to facilitate the trading of odd lots (if any) of the Subdivided Shares, the Company will appoint a securities firm to provide matching services, on a best effort basis, to those Shareholders who wish to top up or sell their holding of odd lots of the Subdivided Shares. Details of the odd lot trading arrangement will be stated in the circular to be despatched to the Shareholders which shall also contain, among other things, details of the Share Subdivision and the Change in Board Lot Size.

REASONS FOR THE SHARE SUBDIVISION AND THE CHANGE IN BOARD LOT SIZE

Upon the proposed Share Subdivision becoming effective, the par value of each share of the Company will decrease and the total number of shares of the Company in issue will increase. The Share Subdivision will result in a downward adjustment to the trading price of the shares of the Company. Based on the closing price of HK\$3.30 per Share as quoted on the Stock Exchange on 4 September 2015, the market value per board lot of 2,000 existing Shares is HK\$6,600. The estimated market value per new board lot of 4,000 Subdivided Shares will theoretically be reduced to HK\$3,300 immediately upon the Share Subdivision and the Change in Board Lot Size becoming effective. The Board believes that the Share Subdivision will reduce the trading spread as well as the volatility of the trading price of the

Shares and thus improving liquidity in the Company's Subdivided Shares. The Board also considers that the proposed Change in Board Lot Size will maintain the trading value for each board lot at a reasonable level and attract more investors and broaden the shareholder base of the Company.

Other than the relevant expenses, including but not limited to professional fees and printing charges incurred, the implementation of the Share Subdivision and the Change in Board Lot Size will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the interests of the Shareholders. The Directors believe that the Share Subdivision will not have any material adverse effect on the financial position of the Group.

In view of the above, the Board considers that the Share Subdivision and the Change in Board Lot Size are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

EXPECTED TIMETABLE

The expected timetable relating to the Share Subdivision and the Change in Board Lot Size and the associated trading arrangement are as follows:

Despatch of the circular in relation to the Share Subdivision and the Change in Board Lot Size together with the EGM notice and proxy form On or before Monday, 14 September 2015

Latest time for lodging proxy form for the EGM (not less than 48 hours prior to time of the EGM) 11:00 a.m. on Wednesday, 30 September 2015

Expected date and time of the EGM 11:00 a.m. on Friday, 2 October 2015

Announcement of poll results of the EGM Friday, 2 October 2015

The following events are conditional on the fulfillment of the conditions for the implementation of the Share Subdivision, which are included in this announcement.

Effective date of the Share Subdivision Monday, 5 October 2015

Free exchange of Existing Share Certificates for New Share Certificates commences Monday, 5 October 2015

Dealing in Subdivided Shares commences 9:00 a.m. Monday, 5 October 2015

Original counter for trading in existing Shares
(in board lots of 2,000 existing Shares) closes 9:00 a.m. Monday,
5 October 2015

Temporary counter for trading in Subdivided Shares
in board lots of 8,000 Subdivided Shares (in form
of the Existing Share Certificates in red colour) opens..... 9:00 a.m. Monday,
5 October 2015

Original counter for trading in Subdivided Shares
(in board lots of 4,000 Subdivided Shares in the
form of New Share Certificates in blue colour) re-opens..... 9:00 a.m. Monday,
19 October 2015

Parallel trading in existing Shares and
Subdivided Shares (in form of Existing Share
certificates in red colour and New Share Certificate
in blue colour) begins 9:00 a.m. Monday,
19 October 2015

Designated broker starts to stand in the market to
provide matching services for the sale and
purchase of odd lots of Subdivided Shares 9:00 a.m. Monday,
19 October 2015

Temporary counter for trading in Subdivided Shares
in board lots of 8,000 Subdivided Shares (in form
of Existing Share Certificates in red colour) closes 4:00 p.m. Monday,
9 November 2015

Parallel trading in existing Shares and Subdivided Shares
(in form of Existing Share Certificates in red colour
and New Share Certificates in blue colour) ends 4:00 p.m. Monday,
9 November 2015

Designated broker ceases to stand in the market to
provide matching services for the sale and purchase of
odd lots of Subdivided Shares..... 4:00 p.m. Monday,
9 November 2015

Free exchange of Existing Share Certificates for
New Share Certificates in blue colour ends Wednesday,
11 November 2015

All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above are indicative only and may be extended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders as and when appropriate.

GENERAL

A circular containing, among other things, details of the Share Subdivision and the Change in Board Lot Size together with the notice of the EGM and related proxy form, will be despatched to the Shareholders on or before Monday, 14 September 2015.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday or Sunday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 2,000 Shares to 4,000 Subdivided Shares
“Company”	ICO Group Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on GEM
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Share Subdivision and the transactions contemplated thereunder
“Existing Share Certificate(s)”	existing form of certificate(s) of the Shares
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“New Share Certificate(s)”	form of certificate(s) of the Subdivided Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company prior to the Share Subdivision

“Shareholder(s)”	holder(s) of the Share(s)
“Share Subdivision”	the proposed subdivision of every one (1) Share four (4) Subdivided Shares as described in this announcement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	ordinary share(s) of HK\$0.0025 each in the share capital of the Company upon the Share Subdivision becoming effective
“%”	percentage or per cent

By Order of the Board of
ICO Group Limited
Yong Man Kin
Chairman and Executive Director

Hong Kong, 4 September 2015

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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.

As at the date of this announcement, the executive Directors are Mr. Lee Cheong Yuen and Mr. Yong Man Kin; the non-executive Directors are Mr. Chan Kwok Pui and Mr. Tam Kwok Wah; and the independent non-executive Directors are Dr. Chan Mee Yee, Dr. Chow Kam Pui and Ms. Kam Man Yi Margaret.

This announcement will remain on the Stock Exchange’s website at www.hkexnews.hk on the “Latest Company Announcements” page for at least seven days from the date of its posting. This announcement will also be published and remains on the Company’s website at www.ico.com.hk.