

Unless otherwise defined, capitalised terms in this announcement shall have the same meanings as those defined in the prospectus dated 18 September 2015 (the “**Prospectus**”) of Lap Kei Engineering (Holdings) Limited (the “**Company**”).

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This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities of the Company. Potential investors should read the Prospectus for detailed information about the Placing described below before deciding whether or not to invest in the Shares thereby being offered.

LAP KEI ENGINEERING (HOLDINGS) LIMITED
立基工程(控股)有限公司

(incorporated in the Cayman Islands with limited liability)

**LISTING ON THE GROWTH ENTERPRISE MARKET OF
THE STOCK EXCHANGE OF HONG KONG LIMITED
BY WAY OF PLACING**

**Number of Placing Shares : 320,000,000 Placing Shares (comprising
192,000,000 New Shares and
128,000,000 Sale Shares)**

**Placing Price : HK\$0.25 per Placing Share (payable in
full on application, plus brokerage of
1%, SFC transaction levy of 0.0027%
and Stock Exchange trading fee of
0.005%)**

Nominal value : HK\$0.01 each

Stock code : 8369

Sponsor



大有融資有限公司
MESSIS CAPITAL LIMITED

Bookrunner and Lead Manager

平安證券有限公司
Ping An Securities Limited

- The Placing Price is HK\$0.25 per Share (excluding brokerage fee of 1%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%). The net proceeds from the Placing of the New Shares to be received by the Company, after deducting the related expenses, are estimated to be approximately HK\$31.6 million. The net proceeds from the Placing of the Sale Shares to be received by the Selling Shareholder, after deducting the underwriting commission, are estimated to be approximately HK\$30.4 million. The Directors intend to apply the net proceeds of the Placing in accordance with the purposes set forth in the section headed “Statement of business objectives and use of proceeds” in the Prospectus.
- The 320,000,000 Placing Shares under the Placing comprise (i) 192,000,000 New Shares being offered by the Company for subscription; and (ii) 128,000,000 Sale Shares being offered by the Selling Shareholder for sale, have been fully subscribed.
- Pursuant to the Placing, 320,000,000 Placing Shares have been conditionally allocated to a total of 112 selected professional, institutional and other investors.
- The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing are independent of and not connected with the Company and any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or significant shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, and their respective close associates, and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Shares subscribed by the placees has been financed directly or indirectly by a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the placees is accustomed to taking instructions from a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it. No placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing. The Directors confirm that there will not be any new substantial shareholder of the Company immediately after completion of the Capitalisation Issue and the Placing within the meaning of the GEM Listing Rules.
- The Directors confirm that immediately after completion of the Capitalisation Issue and the Placing, the Company will comply with the public float requirements under Rule 11.23(7) and Rule 11.23(8) of the GEM Listing Rules that the public float of the Company will be 25% of the enlarged issued share capital of the Company and not more than 50% of the Shares in public hands at the time of the Listing will be beneficially owned by the three largest public Shareholders.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong Time) on Friday, 25 September 2015. Shares will be traded in board lots of 10,000 Shares each. The stock code for the Shares is 8369.

- **Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

PLACING PRICE AND USE OF PROCEEDS

The Placing Price is HK\$0.25 per Placing Share (excluding brokerage fee of 1%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%). The net proceeds from the Placing of the New Shares to be received by the Company, after deducting the related expenses, are estimated to be approximately HK\$31.6 million. The net proceeds from the Placing of the Sale Shares to be received by the Selling Shareholder, after deducting the underwriting commission, are estimated to be approximately HK\$30.4 million. The Directors intend to apply the net proceeds of the Placing in accordance with the purposes set forth in the section headed “Statement of business objectives and use of proceeds” in the Prospectus.

LEVEL OF INDICATIONS OF INTERESTS UNDER THE PLACING

The 320,000,000 Placing Shares under the Placing comprise (i) 192,000,000 New Shares being offered by the Company for subscription; and (ii) 128,000,000 Sale Shares being offered by the Selling Shareholder for sale, were fully subscribed.

RESULTS OF ALLOCATION

Pursuant to the Placing, 320,000,000 Placing Shares have been conditionally allocated to a total of 112 selected professional, institutional and other investors. The distribution of the Placing Shares is set out below:

	Aggregate number of Placing Shares allocated	Approximate percentage of the total number of Placing Shares allocated	Approximate percentage of shareholding over the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing
Top placee	43,570,000	13.62%	3.40%
Top 5 placees	170,570,000	53.30%	13.33%
Top 10 placees	267,800,000	83.69%	20.92%
Top 25 placees	317,920,000	99.35%	24.84%

Number of Placing Shares allocated	Number of placees
10,000 to 100,000	87
100,001 to 1,000,000	5
1,000,001 to 10,000,000	11
10,000,001 and above	9
Total	<u>112</u>

The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing are independent of and not connected with the Company and any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or significant shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, and their respective close associates, and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Shares subscribed by the placees has been financed directly or indirectly by a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the placees is accustomed to taking instructions from a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it. No placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing. The Directors confirm that there will not be any new substantial shareholder of the Company immediately after completion of the Capitalisation Issue and the Placing within the meaning of the GEM Listing Rules.

Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of at least 25% of its total issued share capital at the time of the Listing and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50% of the Shares in public hands at the time of the Listing shall be beneficially owned by the three largest public Shareholders. The Directors confirm that immediately after completion of the Capitalisation Issue and the Placing, the Company will comply with the public float requirements under Rule 11.23(7) and Rule 11.23(8) of the GEM Listing Rules that the public float of the Company will be 25% of the enlarged issued share capital of the Company and not more than 50% of the Shares in public hands at the time of the Listing will be beneficially owned by the three largest public Shareholders.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM and the compliance by the Company with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date, which is expected to be on 25 September 2015, or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

No receipt will be issued for any application monies paid. The Company will not issue any temporary documents of title.

The share certificates issued in respect of the Placing Shares will be deposited into CCASS on or about Friday, 25 September 2015 for credit to the relevant CCASS Participants' stock accounts designated by the Lead Manager (also in its capacity as the Underwriter), the placees or their respective agents (as the case may be).

Prospective investors of the Placing Shares should note that the Lead Manager (also in its capacity as the Underwriter) is entitled to terminate its obligations under the Underwriting Agreement by giving written notice to the Company (for itself and on behalf of the Selling Shareholder) upon the occurrence of any of the events set forth under the section headed "Underwriting — Grounds for termination" in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date, which is expected to be on 25 September 2015. Such events include, without limitation, any act of God, war, riot, public disorder, civil commotion, fire, flood, tsunami, explosion, epidemic, terrorism, strike or lock-out, natural disaster or outbreak of infectious diseases. In the event that the Underwriting Agreement does not become unconditional or is terminated in accordance with its terms and conditions, the Placing shall lapse and thereafter, all money received will be refunded to applicants of the Placing without interests and the Stock Exchange will be notified immediately. Notice of the lapse of the Placing will be published by the Company on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.lapkeieng.com on the next business day immediately following the date of such lapse.

All share certificates will only become valid certificates of title when the Placing has become unconditional in all respects and the Underwriting Agreement has not been terminated in accordance with its terms prior to 8:00 a.m. on the Listing Date, which is expected to be on 25 September 2015.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong Time) on Friday, 25 September 2015.

If there is any change to the expected timetable, an announcement will be published immediately by the Company on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.lapkeieng.com. Shares will be traded in board lots of 10,000 Shares each. The stock code of the Shares is 8369.

By order of the Board of
Lap Kei Engineering (Holdings) Limited
Wong Kang Kwong
Chairman of the Board and Executive Director

Hong Kong, 24 September 2015

As at the date of this announcement, the executive Directors are Mr. Wong Kang Kwong and Ms. So Nui Ho; and the independent non-executive Directors are Mr. Chung Yuk Ming Christopher, Mr. Fok Ka Chi and Mr. Tam Chun Chung.

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.

This announcement and a copy of the Prospectus will remain on the Stock Exchange's website at www.hkexnews.hk and in the case of this announcement, on the "Latest Company Announcements" page for at least 7 days from the date of its posting. This announcement and a copy of the Prospectus will also be published on the Company's website at www.lapkeieng.com.