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Ching Lee Holdings Limited

正利控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8318)

ANNOUNCEMENT ON STATUS OF PUBLIC FLOAT

The Company noted from the disclosure of interest form filed by Mighty Edge Limited pursuant to Part XV of the SFO that it has acquired an additional 18,200,000 shares in the Company recently and thereby increasing its interest in the Company from approximately 8.90% to 10.72%.

Following such increase, Mighty Edge Limited became a substantial shareholder of the Company within the meaning of the GEM Listing Rules, and its interest when aggregated with the shareholding interest of JT Glory Limited is approximately 80.72% of the total issued share capital of the Company. Accordingly, the Company's public float has fallen below 25% as required by Rule 11.23(7) of the GEM Listing Rules.

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

The board of directors (the "Board") of Ching Lee Holdings Limited (the "Company") announces that the Company noted from the disclosure of interest form filed by Mighty Edge Limited ("Mighty Edge") pursuant to Part XV of the Securities and Futures Ordinance ("SFO") that Mighty Edge has acquired an additional 18,200,000 shares in the Company recently and thereby increasing its interest in the Company from approximately 8.90% to 10.72%.

After such increase, Mighty Edge became a substantial shareholder of the Company under the Rules Governing the Listing of Securities on the Growth Enterprise Market (the “GEM Listing Rules”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). To the best of the Board’s knowledge and according to the latest information received by the Company, the current shareholding structure as of the date of this announcement is as follow:

	Number of shares	% of issued share capital
Substantial shareholder		
JT Glory Limited (“JT Glory”)	700,000,000	70.00%
Mighty Edge	<u>107,200,000</u>	<u>10.72%</u>
Subtotal	<u>807,200,000</u>	<u>80.72%</u>
Public holders	<u>192,800,000</u>	<u>19.28%</u>
Total	<u><u>1,000,000,000</u></u>	<u><u>100%</u></u>

Accordingly, the public float of the Company has fallen below 25% as required by Rule 11.23(7) of the GEM Listing Rules.

Pursuant to Note 5 of Rule 11.23(11) of the GEM Listing Rules, the Company should maintain minimum prescribed percentage of securities in public hands at all times. If the percentage falls below the minimum, the Stock Exchange may cancel the listing or suspend trading until appropriate steps have been taken to restore the minimum percentage of securities in public hands.

Pursuant to Note 6 of Rule 11.23(11) of the GEM Listing Rules, the Stock Exchange may refrain from suspension if the Stock Exchange is satisfied that there remains an open market in the securities and either:

- (a) the shortfall in the prescribed percentage arose purely from an increased or newly acquired holding of the Company’s securities by a person who is, or after such acquisition becomes, a core connected person only because he is a substantial shareholder of the Company; or
- (b) the Company and the controlling shareholder undertake to the Stock Exchange to take appropriate steps to ensure restoration of the minimum percentage of securities to public hands within a specified period which is acceptable to the Stock Exchange.

Mighty Edge is independent of and is not connected with JT Glory. Mighty Edge is not the controlling or single largest shareholder of the Company, and it does not have any representation on the Board nor been involved in the management of the Company at any time. The Company is considering steps to restore the public float of the Company. Further announcement will be made by the Company on the restoration of public float as and when appropriate.

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

By order of the Board
Ching Lee Holdings Limited
Mr. NG Choi Wah
Chairman

Hong Kong, 4 August 2016

As at the date of this announcement, the executive Directors are Mr. Ng Choi Wah, Mr. Lui Yiu Wing and Mr. Lam Ka Fai, and the independent non-executive Directors are Dr. Wai Wing Hong Onyx, Mr. Tong Hin Sum Paul and Mr. Chau Kam Wing Donald.

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, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement herein or in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the Company’s website at www.chingleeholdings.com.