

Unless otherwise defined, capitalised terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus dated 30 December 2016 (the “**Prospectus**”) issued by LKS Holding Group 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 carefully for detailed information about the Company and the Placing described below before deciding whether or not to invest in the Placing Shares thereby being offered.

LKS Holding Group Limited

樂嘉思控股集團有限公司

(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	:	280,000,000 Shares
Placing Price	:	HK\$0.255 per Placing Share excluding brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%
Nominal value	:	HK\$0.01 per Share
Stock code	:	8415

Sponsor

FRONTPAGE 富比

Frontpage Capital Limited

Joint Bookrunners and Joint Lead Managers

FRONTPAGE 富比



SUMMARY

- The Placing Price has been determined at HK\$0.255 per Placing Share (exclusive of brokerage fee of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).
- Based on the Placing Price of HK\$0.255 per Placing Share, the net proceeds from the Placing to be received by the Company after deducting underwriting fees and commissions and other related expenses in connection with the Placing are estimated to be approximately HK\$51.3 million. The Company intends to apply such net proceeds from the Placing in accordance with the purposes set forth in the section headed “Business objective and use of proceeds” in the Prospectus.
- The 280,000,000 Placing Shares offered by the Company under the Placing were slightly oversubscribed and have been conditionally allocated to a total of 140 selected professional, institutional, and other investors. Applications pursuant to the Placing for a total of 315,836,275 Shares were received, representing approximately 1.1 times of the total number of 280,000,000 Placing Shares available for subscription under the Placing.
- A total of 280,000,000 Shares have been conditionally allocated to a total of 140 selected professional, institutional, and other investors. A total of 104 placees have been allotted three board lots of Placing Shares or less, representing approximately 74.3% of the total number of placees under the Placing. These placees have been allocated a total of 1,210,000 Shares, representing approximately 0.4% of the total number of Placing Shares.
- The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing and their respective ultimate beneficial owners are independent of and not connected with the Company, any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders or significant Shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries or their respective close associates (as defined under the GEM Listing Rules) 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 any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders or significant Shareholders of the Company or any of its subsidiaries or their respective close associates, and none of the placees is accustomed to taking instructions from any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders or significant Shareholders of the Company or any of its subsidiaries or their respective close associates 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, individually, has been or will be placed with more than 10% of the enlarged issued share capital of the Company immediately after the completion of the Placing and the Capitalisation Issue. The Directors also confirm that there will not be any new substantial Shareholder within the meaning of the GEM Listing Rules immediately after completion of the Placing and the Capitalisation Issue.

- Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of no less than 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 owned by the three largest public Shareholders. The Directors further confirm that, immediately after completion of the Placing and the Capitalisation Issue, the public float of the Company will be 25% of the enlarged issued share capital of the Company (without taking into account any options which may be granted under the Share Option Scheme), and not more than 50% of the Shares in public hands will be owned by the three largest public Shareholders at the time of the Listing (without taking into account any options which may be granted under the Share Option Scheme).
- No receipt will be issued for the subscription monies received in respect of the Placing Shares. No temporary documents of title will be issued by the Company.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Thursday, 12 January 2017. Shares will be traded in board lots of 10,000 Shares each. The stock code of the Shares is 8415.
- **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

Pursuant to the Price Determination Agreement entered into between the Company and the Joint Lead Managers (for themselves and on behalf of the Underwriters) on Friday, 6 January 2017, the Placing Price has been determined at HK\$0.255 per Placing Share (exclusive of brokerage fee of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%). The net proceeds from the Placing to be received by the Company after deducting underwriting fees and commissions and other related expenses in connection with the Placing are estimated to be approximately HK\$51.3 million. The Company intends to apply such net proceeds from the Placing in accordance with the purposes set forth in the section headed “Business objective and use of proceeds” in the Prospectus as follows:

- (a) approximately 35.2% or HK\$18.1 million of the net proceeds for participating further in large scale fitting-out, renovation and A&A projects and enlarging the Company’s market share in Hong Kong;
- (b) approximately 17.0% or HK\$8.7 million of the net proceeds for building mock-up unit, recruiting designers and participating in competitions and exhibitions;
- (c) approximately 19.4% or HK\$10.0 million of the net proceeds for expanding the Company’s manpower for project execution and strengthening the skills of the Company’s staff;
- (d) approximately 18.4% or HK\$9.4 million of the net proceeds for strengthening the Company’s business development and quantity surveying and enhancing the Company’s marketing resources; and

(e) approximately 10.0% or HK\$5.1 million of the net proceeds for the general working capital of the Group.

LEVEL OF INDICATION OF INTERESTS UNDER THE PLACING

The 280,000,000 Placing Shares offered by the Company under the Placing were slightly oversubscribed. Applications pursuant to the Placing for a total of 315,836,275 Shares were received, representing approximately 1.1 times of the total number of 280,000,000 Placing Shares available for subscription under the Placing.

A total of 280,000,000 Shares have been conditionally allocated to a total of 140 selected professional, institutional, and other investors. A total of 104 placees have been allotted three board lots of Placing Shares or less, representing approximately 74.3% of the total number of placees under the Placing. These placees have been allocated a total of 1,210,000 Shares, representing approximately 0.4% of the total number of Placing Shares.

RESULTS OF ALLOCATION

Pursuant to the Placing, 280,000,000 Placing Shares have been conditionally allocated to a total of 140 selected professional, institutional and other investors. The distribution of the Placing Shares is set out below:

	Aggregate number of Placing Shares allocated	Aggregate 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 Placing and the Capitalisation Issue
Top placee	47,000,000	16.8%	4.2%
Top 5 placees	187,580,000	67.0%	16.7%
Top 10 placees	242,420,000	86.6%	21.6%
Top 25 placees	277,100,000	99.0%	24.7%

Number of Placing Shares allocated

Number of placees

10,000 to 100,000	109
100,001 to 1,000,000	11
1,000,001 to 5,000,000	8
5,000,001 to 10,000,000	5
10,000,001 to 20,000,000	2
Above 20,000,000	5

Total	140
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The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing and their respective ultimate beneficial owners are independent of and not connected with the Company, any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders or significant Shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries or their respective close associates (as defined under the GEM Listing Rules) 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 any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders or significant Shareholders of the Company or any of its subsidiaries or their respective close associates, and none of the placees is accustomed to taking instructions from any of the Directors, chief executives, Controlling Shareholders, substantial Shareholders or significant Shareholders of the Company or any of its subsidiaries or their respective close associates 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, individually, has been or will be placed with more than 10% of the enlarged issued share capital of the Company immediately after the completion of the Placing and the Capitalisation Issue. The Directors also confirm that there will not be any new substantial Shareholder within the meaning of the GEM Listing Rules immediately after completion of the Placing and the Capitalisation Issue.

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 no less than 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 owned by the three largest public Shareholders. The Directors further confirm that, immediately after completion of the Placing and the Capitalisation Issue, the public float of the Company will be 25% of the enlarged issued share capital of the Company (without taking into account any options which may be granted under the Share Option Scheme), and not more than 50% of the Shares in public hands will be owned by the three largest public Shareholders at the time of the Listing (without taking into account any options which may be granted under the Share Option Scheme).

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 (i.e. Thursday, 12 January 2017) 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 the subscription monies received in respect of the Placing Shares. No temporary documents of title will be issued by the Company.

The share certificates issued in respect of the Placing Shares are expected to be deposited into CCASS on or about Wednesday, 11 January 2017 for credit to the relevant CCASS Participants' or CCASS Investor Participants' stock accounts designated by the Underwriters, the placees or their respective agents (as the case may be).

Prospective investors of the Placing Shares should note that the Joint Lead Managers (for themselves and on behalf of the Underwriters) is entitled to terminate the Underwriting Agreement with immediate effect by giving notice in writing to the Company upon the occurrence of any of the events set forth under the paragraph headed "Grounds for termination" in the section headed "Underwriting" in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date, which is expected to be Thursday, 12 January 2017. In the event that the conditions of the Placing as mentioned in the Prospectus are not fulfilled or waived pursuant to the terms of the Underwriting Agreement prior to the date specified in the Prospectus, the Placing will lapse and thereafter, all the subscription and purchase monies received will be returned to the placees or the Underwriters without interest and the Stock Exchange will be notified immediately. Notice of the lapse of the Placing will be published by the Company on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.ampleconstruction.com.hk immediately following such lapse.

Share certificate for the Placing Shares will only become valid documents 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. (Hong Kong time) on the Listing Date.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Thursday, 12 January 2017. If there is any change to the expected timetable, an announcement will be published immediately by the Company on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.ampleconstruction.com.hk accordingly. The Shares will be traded in board lots of 10,000 Shares each. The stock code of the Shares is 8415.

By Order of the Board
LKS Holding Group Limited
Wong Wan Sze
Chairman

Hong Kong, 11 January 2017

As at the date of this announcement, the executive Directors are Mr. Lam Shui Wah and Ms. Wong Wan Sze and the independent non-executive Directors are Mr. Ng Man Wai, Ms. Tsang Ngo Yin and Mr. Wu Wai Ki.

This announcement, for which all 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 will remain on the “Latest Company Announcements” page of the Stock Exchange’s website at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement will also be published on the Company’s website at www.ampleconstruction.com.hk.