

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for any shares in the Company.



JC Group Holdings Limited

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8326)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



Shenwan Hongyuan Securities (H.K.) Limited

PLACING OF NEW SHARES

On 30 November 2015 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent whereby the Company agreed to place, through the Placing Agent, on a best effort basis, a maximum of 50,000,000 Placing Shares to not less than six Placees at a price of HK\$3.81 per Placing Share.

The maximum of 50,000,000 Placing Shares represent (i) approximately 12.50% of the existing issued share capital of the Company of 400,000,000 Shares as at the date of this announcement; and (ii) approximately 11.11% of the issued share capital of the Company of 450,000,000 Shares as enlarged by the issue of the 50,000,000 Placing Shares, assuming no further change in the issued share capital of the Company upon the completion of the Placing. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$500,000.

The Placing Shares will be issued under the General Mandate and therefore the issue of the Placing Shares will not be subject to the approval of the Shareholders.

The maximum gross proceeds and net proceeds from the Placing will be approximately HK\$190,500,000 and HK\$185,500,000 respectively. The net placing price will be approximately HK\$3.71 per Share. The net proceeds from the Placing are intended to be used as funds for future business activities in the energy industry as identified by the Group from time to time and as general working capital of the Group.

Shareholders and potential investors should note that completion of the Placing is subject to fulfillment of the conditions under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

THE PLACING AGREEMENT

Date: 30 November 2015 (after trading hours)

Issuer: the Company

Placing Agent: Shenwan Hongyuan Securities (H.K.) Limited

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons (as defined under the GEM Listing Rules).

Number of Placing Shares

Pursuant to the Placing Agreement, the Placing Agent agreed to procure, on a best effort basis, not less than six Placées to subscribe for a maximum of 50,000,000 Placing Shares at a price of HK\$3.81 per Placing Share. The maximum of 50,000,000 Placing Shares represent (i) approximately 12.50% of the existing issued share capital of the Company of 400,000,000 Shares as at the date of this announcement; and (ii) approximately 11.11% of the issued share capital of the Company of 450,000,000 Shares as enlarged by the issue of the 50,000,000 Placing Shares, assuming no further change in the issued share capital of the Company upon the completion of the Placing. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$500,000.

Ranking of Placing Shares

The Placing Shares, when issued and fully paid, will rank *pari passu* among themselves and with the Shares in issue at the time of allotment and issue of the Placing Shares.

Placing Price

The Placing Price of HK\$3.81 per Share represents:

- (i) a discount of approximately 15.52% to the closing price of HK\$4.51 per Share as quoted on the Stock Exchange on 30 November 2015, being the date of the Placing Agreement; and
- (ii) a discount of approximately 18.76% to the average closing price of approximately HK\$4.69 per Share as quoted on the Stock Exchange for the five consecutive trading days up to and including 27 November 2015, being the last trading day prior to the date of the Placing Agreement.

The Placing Price was determined after arm's length negotiations between the Company and the Placing Agent with reference to prevailing market prices of the Shares.

The Directors consider that the terms of the Placing Agreement (including the Placing Price and placing commission) are on normal commercial terms and are fair and reasonable and that the Placing is in the interests of the Company and the Shareholders as a whole.

Placees

The Placing Shares will be placed to not less than six Placees, who and whose ultimate beneficial owners are independent institutional, professional and/or individual investors and not connected with any directors, chief executive or substantial Shareholder(s) (if any) of the Company or its subsidiaries and their respective associates.

It is expected that none of the Placees will become a substantial Shareholder of the Company as a result of the Placing.

Conditions of the Placing Agreement

Completion of the Placing by the Placing Agent of the Placing Shares under the Placing Agreement is conditional upon:

- (i) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares on the Stock Exchange;
- (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained; and
- (iii) the Placing Agreement not having been terminated in accordance with its terms.

Each of the Company and the Placing Agent shall use their respective reasonable endeavours to procure the fulfilment of the conditions and in the event the conditions are not fulfilled on or before the Long Stop Date (or such later date as may be agreed between the Company and the Placing Agent), the Placing Agreement shall terminate and all obligations of the Placing Agent and the Company thereunder shall cease and determine and none of the Placing Agent and the Company shall have any claim against the other in relation thereto.

Termination

The Placing Agent may terminate the Placing Agreement by notice in writing given to the Company at any time between the date of the Placing Agreement and up to 10:00 a.m. on the date of completion of the Placing Agreement, upon the occurrence of the following events:

- (a) the introduction of any new law or regulation or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company; or
- (b) the occurrence of any local, national or international event or change occurring after the date of the Placing Agreement of a political, military, financial, economic, currency or other nature, or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company or adversely prejudice the success of the Placing (such success being the completion of the placing of the Placing Shares to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs after the date of the Placing Agreement which materially and adversely affects the success of the Placing (such success being the completion of the placing of the Placing Shares to potential investor(s)) or otherwise in the reasonable opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing; or
- (d) the Company commits any material breach of or omits to observe any of its obligations or undertakings under the Placing Agreement; or
- (e) the Placing Agent shall become aware of the fact that any of the representations or warranties contained in the Placing Agreement was, when given, untrue or inaccurate in any material respect or would in any material respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its reasonable opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or the prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing.

In the event that the Placing Agent terminates the Placing Agreement, the obligations of the Placing Agent shall cease and the Company shall not be liable to pay any commission under the Placing Agreement, and other provisions of the Placing Agreement (without prejudice to the accrued rights and liabilities of the parties) shall forthwith cease and determine and no party shall have any claim against the other party for compensation, costs, damages or otherwise.

Completion

Subject to the fulfilment of the conditions precedents referred to in the paragraph headed “Conditions of the Placing Agreement” above, completion of the Placing will take place at 10:00 a.m. (Hong Kong time) on the fifth Business Day after the end of the Placing Period or such other date as the Company and the Placing Agent may agree in writing.

Placing Commission

The Placing Agent shall receive a placing commission of 2.5% of the aggregate Placing Price of the Placing Shares successfully placed. The placing commission was determined after arm’s length negotiation between the Placing Agent and the Company with reference to the market rate.

General Mandate

A maximum of 50,000,000 Placing Shares will be issued under the General Mandate. Accordingly, the issue of the Placing Shares will not be subject to the approval of the Shareholders. Under the General Mandate, the Company is authorised to issue up to 80,000,000 Shares. Up to the date of this announcement, no Share has been issued under the General Mandate.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the grant of the listing of, and permission to deal in, the Placing Shares.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

For illustration purpose only, the following sets out the shareholding structure of the Company as at the date of this announcement and upon completion of the Placing, assuming that all the Placing Shares have been successfully placed and there is no other change in the issued share capital of the Company.

	As at the date of this announcement		Upon completion of the Placing	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Shareholders				
Rise Triumph Limited (<i>Note 1</i>)	111,850,000	27.96	111,850,000	24.86
Victory Stand International Limited (<i>Note 2</i>)	103,000,000	25.75	103,000,000	22.89
Public				
Places	–	–	50,000,000	11.11
Other public Shareholders	185,150,000	46.29	185,150,000	41.14
Total	<u>400,000,000</u>	<u>100</u>	<u>450,000,000</u>	<u>100</u>

Note:

- These 111,850,000 Shares are held by Rise Triumph Limited. Mr. Wu Jian Nong beneficially owns 96% of the issued share capital of Rise Triumph Limited. Mr. Wu Jian Nong is deemed, or taken to be, interested in all the Shares held by Rise Triumph Limited for the purpose of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “SFO”). Mr. Wu Jian Nong is a director of Rise Triumph Limited and an executive Director.
- These 103,000,000 Shares are held by Victory Stand International Limited (“Victory Stand”). Each of Mr. Zhang Fuzhu (“Mr. Zhang”), Mr. Wu Kai Char (“Mr. Wu”), Ms. Wong Wai Ling (“Ms. Wong”) and Mr. Lui Hung Yen (“Mr. Lui”) beneficially owns 41.99%, 31.89%, 17.41% and 8.71% of the issued share capital of Victory Stand respectively. Mr. Zhang is deemed, or taken to be, interested in all the Shares held by Victory Stand for the purpose of the SFO. Each of Mr. Wu and Ms. Wong is a director of Victory Stand and an executive Director.

REASONS FOR THE PLACING AND USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in the operation and management of restaurants and cake shops in Hong Kong. As disclosed in the announcement of the Company dated 18 September 2015, the Group intends to diversify the Group's businesses by commencing a new business segment of energy business. In order to facilitate the business development in the energy industry in the future, the Directors consider that the Placing represents an opportunity for the Group to raise additional funds to finance the future business activities in the energy industry as identified by the Group from time to time and for its future developments.

The maximum gross proceeds and net proceeds from the Placing will be approximately HK\$190,500,000 and HK\$185,500,000 respectively. The net placing price will be approximately HK\$3.71 per Share. The net proceeds from the Placing are intended to be used as funds for the future business activities in the energy industry as identified by the Group from time to time and as general working capital of the Group.

The Directors consider that the terms of the Placing, including the Placing Price and the rate of the placing commission, are fair and reasonable based on current market conditions. Accordingly, the Board considers that the Placing is in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund raising activities during the 12 months immediately preceding the date of this announcement.

Shareholders and potential investors should note that completion of the Placing is subject to fulfillment of the conditions under the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors are reminded to exercise caution when dealing in the Shares.

DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“AGM”	the annual general meeting of the Company held on 31 July 2015
“associates”	has the same meaning as defined under the GEM Listing Rules
“Board”	the board of Directors

“Business Day(s)”	any day (excluding Saturdays, Sundays, public holidays and days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks generally are open for general banking business in Hong Kong
“Company”	JC Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the GEM of the Stock Exchange
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“General Mandate”	the general mandate granted to the Board pursuant to the resolution passed by the Shareholders at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company (being 400,000,000 Shares) as at the date of passing such resolution, which is equivalent to 80,000,000 Shares
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	has the meaning ascribed to it under the GEM Listing Rules
“Long Stop Date”	11 December 2015
“Placee(s)”	any independent institutional, professional and/or individual investors who are not connected with any directors, chief executive or substantial Shareholder(s) (if any) of the Company or its subsidiaries and their respective associates
“Placing”	the placing of a maximum of 50,000,000 Placing Shares on a best effort basis pursuant to the terms and conditions of the Placing Agreement
“Placing Agent”	Shenwan Hongyuan Securities (H.K.) Limited
“Placing Agreement”	the placing agreement entered into between the Company and the Placing Agent dated 30 November 2015 in respect of the Placing

“Placing Period”	the period commencing immediately after the Placing Agreement is entered into by the Company and the Placing Agent and expiring at 5:00 p.m. on the second Business Day from the date of the Placing Agreement (or such later time and date as the Company and the Placing Agent may agree in writing)
“Placing Price”	HK\$3.81 per Placing Share (excluding any transaction levy, Stock Exchange trading fee and other fees or levies as may be payable by the Placees)
“Placing Share(s)”	a maximum of 50,000,000 Shares to be issued pursuant to the Placing Agreement
“Share(s)”	ordinary share(s) of nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“substantial Shareholder(s)”	has the same meaning as defined under the GEM Listing Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board
JC Group Holdings Limited
Wu Kai Char
Chairman and Executive Director

Hong Kong, 30 November 2015

As at the date of this announcement, the executive Directors are Mr. Wu Kai Char, Ms. Wong Wai Ling, Ms. Shen Meng Hong, Mr. Wu Jian Nong and Mr. Xu Shui Sheng; and the independent non-executive Directors are Ms. Au Man Yi, Mr. Pao Ping Wing and Mr. Yuan Haiyang.

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 will remain on the “Latest Company Announcements” page of the Stock Exchange’s website (www.hkexnews.hk) for 7 days from the date of its posting and will also be published on the Company’s website (www.jcgroup.hk).