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*Unless otherwise defined, terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus dated 12 February 2015 (the “**Prospectus**”) issued by Steed Oriental (Holdings) Company Limited (the “**Company**”).*

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



STEED ORIENTAL (HOLDINGS) COMPANY LIMITED

駿東（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** : 50,000,000 new Shares
Placing Price : HK\$1.20 per Placing Share, (payable in full
on application plus brokerage fee of 1%,
SFC transaction levy of 0.0027% and Stock
Exchange trading fee of 0.005%)
Nominal value : HK\$0.01 per Share
GEM stock code : 8277

Sponsor



Lead Manager and Underwriter



- The Placing Price is determined HK\$1.2 per Placing Share (exclusive of brokerage fee of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).
- Pursuant to the Placing, 50,000,000 Placing Shares offered under the Placing were just sufficiently subscribed and have been conditionally allocated to a total of 135 selected individual, professional and institutional investors.
- On the basis that the Placing Price is HK\$1.20 per Placing Share, net proceeds from the Placing, after deducting the related expenses to be incurred, will be approximately HK\$50.1 million.
- The Directors confirm that all placees under the Placing are independent of and not connected with the Company and any of the Directors, chief executive, Controlling Shareholder, 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 (as defined in the GEM Listing Rules) or any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing. No placee, individually, has been or will be placed more than 10% of the enlarged issued share capital of the Company immediately after completion of the Loan Capitalisation Issue, 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 Loan Capitalisation Issue, the Capitalisation Issue and the Placing within the meaning of the GEM Listing Rules.
- Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of not less than 25% of its total issued share capital at the time when the Shares commence dealings on GEM 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 Listing shall be owned by the three largest public Shareholders. The Directors confirm that, immediately after completion of the Loan Capitalisation Issue, the Capitalisation Issue and the Placing, 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 Listing will be owned by the three largest public Shareholders.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Monday, 23 February 2015. Shares will be traded in board lots of 2,000 Shares each. The GEM stock code for the Shares is 8277.

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 has been determined at HK\$1.2 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 to be received by the Company from the Placing are estimated to be approximately HK\$50.1 million. The Directors intend to apply the net proceeds from the Placing as follows:

- approximately 55.5% of the net proceeds, or approximately HK\$27.8 million will be used for the construction of a new production plant in the PRC of approximately 31,390.0 sq.m.;
- approximately 34.9% of the net proceeds, or approximately HK\$17.5 million will be used for the acquisition of machinery and equipment with an expected production capacity of 99,456 m³ of plywood products for the new production plant in the PRC; and
- approximately 9.6% of the net proceeds, or approximately HK\$4.8 million will be used for working capital and other general corporate purpose.

LEVEL OF INDICATION OF INTERESTS UNDER THE PLACING

The 50,000,000 Placing Shares offered under the Placing were just sufficiently subscribed.

RESULTS OF ALLOCATION

Pursuant to the Placing, 50,000,000 Placing Shares have been conditionally allocated to a total of 135 selected individual, professional and institutional 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 the enlarged issued share capital of the Company immediately after completion of the Loan Capitalisation Issue, the Capitalisation Issue and the Placing
Top placee (<i>Note</i>)	16,000,000	16.00%	8.00%
Top 5 placees	33,000,000	66.00%	16.50%
Top 10 placees	41,908,000	83.82%	20.95%
Top 25 placees	49,136,000	98.27%	24.57%

Note: There are two top placees, and each of them subscribed 8,000,000 and 8,000,000 Placing Shares respectively.

Number of Placing Shares allocated	Number of placees
2,000 to 10,000	98
10,001 to 100,000	14
100,001 to 1,000,000	14
1,000,001 and above	9
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Total	<u><u>135</u></u>

The Directors confirm that all placees under the Placing are independent of and not connected with the Company and any of the Directors, chief executives, Controlling Shareholder, 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 (as defined in the GEM Listing Rules) or any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing. No placee, individually, has been or will be placed more than 10% of the enlarged issued share capital of the Company immediately after completion of the Loan Capitalisation Issue, 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 Loan Capitalisation Issue, 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 not less than 25% of its total issued share capital at the time when the Shares commence dealings on GEM 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 Listing shall be owned by the three largest public Shareholders. The Directors confirm that, immediately after completion of the Loan Capitalisation Issue, the Capitalisation Issue and the Placing, 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 Listing will be 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 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. Monday, 23 February 2015) or on any other date as may be 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 subscription monies for the Placing Shares. The Company will not issue temporary documents of title.

Prospective investors of the Placing Shares should note that the Lead Manager (for itself and on behalf of the Underwriter) is entitled to terminate its obligations under the Underwriting and Placing Agreement 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” under the section headed “Underwriting” in the Prospectus at any time prior to 8:00 a.m. on the Listing Date (i.e. Monday, 23 February 2015). In the event that the Underwriting and Placing Agreement is terminated, an announcement will be published by the Company on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.steedoriental.com.hk.

All share certificates will only become valid certificates of title when the Placing has become unconditional in all respects and the Underwriting and Placing Agreement has not been terminated in accordance with its terms prior to 8:00 a.m. on the Listing Date (i.e. Monday, 23 February 2015).

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Monday, 23 February 2015. 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.steedoriental.com.hk.

Shares will be traded in board lot of 2,000 Shares each. The GEM stock code for the Shares is 8277.

By order of the Board of
Steed Oriental (Holdings) Company Limited
Huang Dong Sheng
Executive Director

Hong Kong, 18 February 2015

As at the date of this announcement, the execution Directors are Mr. Huang Dong Sheng, Ms. Wong Sut Keng, Ms. Wong Hang Kuen and Mr. Yeung Hung Yuen; and the independent non-executive Directors are Mr. Chan Kai Nang, Mr. Ho Chee Mun and Mr. Yuen Kim Hung Michael.

This announcement, for which all the Directors jointly and severally 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 matters the omission of which would make any statement in 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 and remains on the Company's website at <http://www.steedoriental.com.hk>.