

Unless otherwise defined, terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus (the “Prospectus”) of Kinetix Systems Holdings Limited (the “Company”) dated 30 June 2018.

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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. Potential investors should read the Prospectus carefully for detailed information about the Company and the Share Offer described in this announcement before deciding whether or not to invest in the Offer Shares thereby being offered.

This announcement is not for release, publication, distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). This announcement does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States. The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered, sold, pledged, or transferred within the United States or to, or for the account or benefit of, U.S. persons, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act.

kinetix

Kinetix Systems Holdings Limited

健冠控股有限公司

(Incorporated in the Cayman Islands with limited liability)

LISTING ON GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF SHARE OFFER

Number of Offer Shares	:	200,000,000 Offer Shares (subject to the Offer Size Adjustment Option)
Number of Hong Kong Offer Shares	:	20,000,000 Offer Shares (subject to reallocation)
Number of Placing Shares	:	180,000,000 Offer Shares (subject to reallocation and Offer Size Adjustment Option)
Offer Price	:	Not more than HK\$0.30 per Offer Share and expected to be not less than HK\$0.23 per Offer Share plus brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund on final pricing)
Nominal value	:	HK\$0.01 per Share
Stock code	:	8606

Sole Sponsor



Joint Bookrunners



Joint Lead Managers



The Share Offer consists of: (i) the Hong Kong Public Offering of 20,000,000 Hong Kong Offer Shares (subject to reallocation), representing 10% of the total number of the Offer Shares initially available under the Share Offer; and (ii) the Placing of 180,000,000 Placing Shares (subject to reallocation and Offer Size Adjustment Option), representing 90% of the total number of Offer Shares initially available under the Share Offer. In accordance with Guidance Letter HKEX-GL91-18, where (i) the Placing Shares are fully subscribed or oversubscribed and the Hong Kong Offer Shares are oversubscribed by less than 15 times or (ii) the Placing Shares are undersubscribed and the Hong Kong Offer Shares are oversubscribed irrespective of the number of times, up to 20,000,000 Offer Shares may be reallocated to the Hong Kong Public Offering from the Placing, so that the total number of the Offer Shares available under the Hong Kong Public Offering will be increased to 40,000,000 Offer Shares, representing 20% of the number of the Offer Shares initially available under the Share Offer (before any exercise of the Offer Size Adjustment Option). For further details of the possible adjustments to the allocation of the Offer Shares between the Hong Kong Public Offering and the Placing, please refer to the section headed “Structure and Conditions of the Share Offer – The Hong Kong Public Offering – Reallocation” of the Prospectus.

Application has been made to the Stock Exchange for the listing of, and permission to deal in, the Shares issued and to be issued pursuant to the Capitalisation Issue and the Share Offer and any Shares which may fall to be issued upon the exercise of the Offer Size Adjustment Option and any options that may be granted under the Share Option Scheme. Subject to the granting of approval of the listing of, and permission to deal in, the Shares on the Stock Exchange as mentioned in the Prospectus and the Company’s 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 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.

Pursuant to the Underwriting Agreements, our Company has granted to the Joint Bookrunners (for themselves and on behalf of the Underwriters) the Offer Size Adjustment Option, which is exercisable by the Joint Bookrunners (for themselves and on behalf of the Underwriters) in its absolute discretion on or before the business day immediately before the date of allotment results announcement, in writing, to require our Company to allot and issue up to 30,000,000 additional Shares at the Offer Price, representing 15% of the total number of Shares initially available for subscription under the Share Offer. Any such additional Shares may be issued to cover any excess demand in the Share Offer at the absolute discretion of the Joint Bookrunners (for themselves and on behalf of the Underwriters).

For the avoidance of doubt, the purpose of the Offer Size Adjustment Option is to provide flexibility for the Joint Bookrunners to meet any excess demand in the Share Offer. The Offer Size Adjustment Option will not be associated with any price stabilisation activity of the Shares in the secondary market after the listing of the Shares on GEM and will not be subject to the Securities and Futures (Price Stabilizing) Rules of the SFO (Chapter 571W of the Laws of Hong Kong). No purchase of the Shares in the secondary market will be effected to cover any excess demand in the Share Offer which will only be satisfied by the exercise of the Offer Size Adjustment Option in full or in part.

Our Company will disclose in its allotment results announcement whether and to what extent the Offer Size Adjustment Option has been exercised, and will confirm in the announcement that, if the Offer Size Adjustment Option is not exercised by then, the Offer Size Adjustment Option will lapse and cannot be exercised on any future date. The allotment results announcement will be published on the website of the Stock Exchange at www.hkexnews.hk and our Company’s website at www.kinetix.com.hk.

The Offer Price will be not more than HK\$0.30 per Offer Share and is expected to be not less than HK\$0.23 per Offer Share, unless otherwise announced. Applicants under the Hong Kong Public Offering must pay, on application, the maximum indicative Offer Price of HK\$0.30 per Hong Kong Offer Share plus 1% brokerage, a 0.0027% SFC transaction levy and a 0.005% Stock Exchange trading fee, subject to refund if the Offer Price as finally determined is less than HK\$0.30 per Offer Share.

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the maximum Offer Price of HK\$0.30 per Offer Share (excluding brokerage, SFC transaction levy and Stock Exchange trading fee thereon), or if the conditions of the Hong Kong Public Offering set out in the section headed “Structure and Conditions of the Share Offer – Conditions of the Share Offer” in the Prospectus or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and Stock Exchange trading fee, will be refunded, without interest or the cheque or banker’s cashier order will not be cleared. Any refund of your application monies will be made on Friday, 13 July 2018.

The Share Offer is conditional upon the fulfilment of the conditions as set out in the paragraph headed “Structure and Conditions of the Share Offer – Conditions of the Share Offer” in the Prospectus. If such conditions have not been fulfilled or waived prior to the dates and times specified in the Underwriting Agreements, the Share Offer will lapse and the Stock Exchange will be notified immediately. Notice of lapse of the Share Offer will be published by our Company on the website of the Stock Exchange at www.hkexnews.hk and our Company’s website at www.kinetix.com.hk on the next Business Day following the date of such lapse. All money received will be refunded to applicants of the Hong Kong Public Offering without interests.

The Offer Shares will be fully underwritten by the Underwriters pursuant to the Underwriting Agreements. Prospective investors should note that the Sole Sponsor and/or the Joint Bookrunners (for themselves and on behalf of the Underwriters) shall be entitled in their sole and absolute discretion to terminate the Underwriting Agreements with immediate effect by notice in writing given to the Company upon the occurrence of any of the events set forth in the paragraph headed “Underwriting – Underwriting Arrangements and Expenses – The Hong Kong Public Offering – The Hong Kong Underwriting Agreement – 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 Monday, 16 July 2018).

Applications for the Hong Kong Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus and the Application Forms.

Applicants who would like to have the allotted Hong Kong Offer Shares registered in their own names should either (i) complete and sign the **WHITE** Application Forms or (ii) submit applications online through the designated website of the **HK eIPO White Form** Service Provider at www.hkeipo.hk under the **HK eIPO White Form** service. Applicants who would like to have the allotted Hong Kong Offer Shares registered in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants maintained in CCASS should either (i) complete and sign the **YELLOW** Application Forms; or (ii) give electronic application instructions to HKSCC via CCASS.

Copies of the Prospectus, together with the **WHITE** Application Form, may be obtained during normal business hours from 9:00 a.m. on Saturday, 30 June 2018, until 12:00 noon on Friday, 6 July 2018 from:

(1) the following offices of the Hong Kong Underwriters:

Hong Kong Underwriter	Address
Cinda International Capital Limited	45th Floor, COSCO Tower 183 Queen's Road Central Hong Kong
I Win Securities Limited	Room 1916 Hong Kong Plaza 188 Connaught Road West Sai Wan Hong Kong
HF Securities and Futures Limited	Room 1606, South Tower Concordia Plaza 1 Science Museum Road Tsim Sha Tsui Hong Kong
Mouette Securities Company Limited	Flat 1301, 13/F Tung Wai Commercial Building 109-111 Gloucester Road Wanchai Hong Kong
Alpha Financial Group Limited	Room A, 17/F, Fortune House 61 Connaught Road Central Hong Kong

(2) any of the following branches of The Bank of East Asia, Limited, the receiving bank for the Hong Kong Public Offering:

District	Branch Name	Address
Hong Kong Island	Main Branch	10 Des Voeux Road Central, Central
	Shau Kei Wan Branch	G/F, Ka Fook Building, 289-293 Shau Kei Wan Road, Shau Kei Wan
Kowloon	Kwun Tong Branch	7 Hong Ning Road, Kwun Tong
	Mei Foo Sun Chuen Branch	Shop N57, G/F, Mount Sterling Mall, Mei Foo

Copies of the Prospectus, together with the **YELLOW** Application Form, may be obtained during normal business hours from 9:00 a.m. on Saturday, 30 June 2018 until 12:00 noon on Friday, 6 July 2018 from the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or from your stockbroker.

Time for Lodging Application Forms

Your completed **WHITE** or **YELLOW** Application Form, together with a cheque or a banker's cashier order attached and marked payable to "The Bank of East Asia (Nominees) Limited – Kinetix Public Offer" for the payment, should be deposited in the special collection boxes provided at any of the branches of the receiving bank listed above at the following times:

Saturday, 30 June 2018 – 9:00 a.m. to 1:00 p.m.

Tuesday, 3 July 2018 – 9:00 a.m. to 5:00 p.m.

Wednesday, 4 July 2018 – 9:00 a.m. to 5:00 p.m.

Thursday, 5 July 2018 – 9:00 a.m. to 5:00 p.m.

Friday, 6 July 2018 – 9:00 a.m. to 12:00 noon

The latest time for lodging your application is 12:00 noon on Friday, 6 July 2018. The application lists will be open from 11:45 a.m. to 12:00 noon on the same date, the last application day or such later time as described in the paragraph headed "How to Apply for the Hong Kong Offer Shares – 10. Effect of Bad Weather on the Opening and Closing of the Applications Lists" in the Prospectus.

Applicants applying by **HK eIPO White Form** service may submit applications through the **HK eIPO White Form** service at www.hkeipo.hk from 9:00 a.m. on Saturday, 30 June 2018 until 11:30 a.m. on Friday, 6 July 2018 or such later time as described in the paragraph headed "How to Apply for the Hong Kong Offer Shares – 10. Effect of Bad Weather on the Opening and Closing of the Application Lists" in the Prospectus (24 hours daily, except on the last day for applications).

Time for Inputting Electronic Application Instructions

CCASS Clearing/Custodian Participants can input **electronic application instructions** at the following times on the following dates:

Tuesday, 3 July 2018 – 8:00 a.m. to 8:30 p.m.⁽¹⁾

Wednesday, 4 July 2018 – 8:00 a.m. to 8:30 p.m.⁽¹⁾

Thursday, 5 July 2018 – 8:00 a.m. to 8:30 p.m.⁽¹⁾

Friday, 6 July 2018 – 8:00 a.m.⁽¹⁾ to 12:00 noon

Note:

(1) These times are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants.

CCASS Investor Participants can input electronic application instructions from 6:00 a.m. on Monday, 2 July 2018 until 12:00 noon on Friday, 6 July 2018 or such later time as described in the paragraph headed "How to Apply for the Hong Kong Offer Shares – 10. Effect of Bad Weather on the Opening and Closing of the Application Lists" in the Prospectus.

Please refer to the sections headed "Structure and Conditions of the Share Offer" and "How to apply for the Hong Kong Offer Shares" in the Prospectus for details of the conditions and procedures of the Hong Kong Public Offering.

The Company expects to announce the final Offer Price, the level of indications of interest in the Placing, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares under the Hong Kong Public Offering on Friday, 13 July 2018 on the website of the Stock Exchange at www.hkexnews.hk and on the website of the Company at www.kinetix.com.hk. The results of allocations of the Hong Kong Public Offering, with the Hong Kong identity card/passport/Hong Kong business registration numbers of the successful applicants if applicable, under the Hong Kong Public Offering will be made available through a variety of channels from Friday, 13 July 2018 in the manner described in the paragraph headed “How to Apply for the Hong Kong Offer Shares – 11. Publication of Results” in the Prospectus.

Share certificates for the Offer Shares will only become valid certificates of title when the Share Offer has become unconditional in all respects and none of the Underwriting Agreements has been terminated in accordance with its terms prior to 8:00 a.m. (Hong Kong time) on the Listing Date. No temporary documents of title will be issued by the Company and no receipt will be issued for the subscription monies for the Offer Shares.

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Monday, 16 July 2018. Shares will be traded in board lots of 10,000 Shares each. The GEM stock code for the Shares is 8606.

By order of the Board
Kinetix Systems Holdings Limited
Yu Pak Lun Larry
Chairman

Hong Kong, 30 June 2018

As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Yu Pak Lun Larry, Mr. Wong Tsun Ho Ian, Mr. Law Cheung Moon, Mr. Leung Patrick Cheong Yu and Mr. Wong Chun Pan Dennis; and three independent non-executive Directors, namely, Mr. Yeung Wai Keung, Mr. Lam Yau Hin and Mr. Cheung Wah Kit Jason.

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; and (ii) 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.kinetix.com.hk.