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KTL International Holdings Group Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 442)

UPDATE ON RESTORATION OF PUBLIC FLOAT

References are made to the announcement dated 17 February 2017 jointly issued by the Company and HNA Aviation Investment Holding Company Ltd (the “**Offeror**”) in relation to, among others, waiver of restoration of public float of the Company (the “**Joint Announcement**”), and the composite offer document jointly issued by the Company and the Offeror dated 27 January 2017. Capitalised terms used herein shall have the same meanings as those defined in the Joint Announcement unless the context otherwise requires.

As disclosed in the Joint Announcement, immediately after the close of the Offer, 30,627,506 Shares, representing approximately 19.14% of the entire issued share capital of the Company, were held by the public (within the meaning under the Listing Rules) and therefore the Company could not satisfy the minimum public float requirement of 25% as set out under Rule 8.08(1)(a) of the Listing Rules.

After discussion with the Offeror, the Company has proposed to restore the public float by way of placing new Shares or selling-down of existing Shares held by the Offeror. As at the date of this announcement, the Company is in the process of identifying appropriate placing agent(s).

In view of the current volatile market conditions, latest trading prices and trading volume of the Shares on the Stock Exchange, and having taken into account the time required for (i) internal approval process for the placing; (ii) identifying and engagement of potential placing agent(s); (iii) marketing and investor presentation activities; and (iv) negotiation of terms of the placing agreement, it is expected that the placing or selling down of Shares may only take place in or around mid-May 2017, after which the public float is expected to be restored. The Company has, therefore, made an application to the Stock Exchange for a temporary waiver from strict compliance with Rules 8.08(1)(a) of the Listing Rules for a period commencing from 17 February 2017 to 16 May 2017 (the “**Waiver**”) and the Stock Exchange granted the Waiver to the Company on 27 February 2017.

Further announcement(s) will be made by the Company regarding the restoration of public float as and when appropriate pursuant to the Listing Rules.

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

By order of the Board of
KTL International Holdings Group Limited
Mr. Nang Qi
Chairman and Executive Director

Hong Kong, 28 February 2017

As at the date of this announcement, the executive Directors are Mr. Nang Qi, Mr. Chen Peiliang and Mr. Xue Qiang; and the independent non-executive Directors are Mr. Ting Tit Cheung, Mr. Chan Chi Kuen and Mr. Lo Chun Pong.