

Unless otherwise defined, terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus dated 28 February 2011 (the “**Prospectus**”) issued by CL Group (Holdings) 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. Potential investors should read the Prospectus for detailed information about the Placing before deciding whether or not to invest in the Placing Shares thereby being offered.

CL GROUP (HOLDINGS) LIMITED
昌利(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 OF SHARES**

Number of Placing Shares : 250,000,000 Placing Shares
Placing Price : HK\$0.485 per Placing Share (excluding
brokerage fee of 1%, SFC transaction levy of
0.003% and Stock Exchange trading fee of
0.005%)
Nominal value : HK\$0.01 per Share
Board lot : 5,000 Shares
GEM Stock code : 8098

Sponsor



VC CAPITAL LIMITED
滙盈融資有限公司

Sole Bookrunner and Lead Manager



VC BROKERAGE LIMITED
滙盈證券有限公司

- The Placing Price has been agreed at HK\$0.485 per Share (excluding brokerage of 1%, SFC transaction levy of 0.003% 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\$105.9 million.
- The 250,000,000 Placing Shares offered by the Company under the Placing have been over-subscribed moderately by approximately 4.93 times.
- 250,000,000 Placing Shares have been conditionally allocated to a total of 321 selected professional, institutional and other investors.
- Of the 250,000,000 Placing Shares, 158,000,000 Placing Shares, representing approximately 63.2% of the total Placing Shares under the Placing, are allotted to placees who are Independent Third Parties through Cheong Lee.
- The Directors confirmed that no Placing Shares have been placed with any connected person (as defined under the GEM Listing Rules) or to any connected clients of the lead broker or of any distributors (has the ascribed meaning as in Chapter 10 of the GEM Listing Rules) or to any directors or existing Shareholders or their respective associates, whether in their own names or through nominees. All placees under the Placing are independent of and not connected with any of the Directors, chief executive, Controlling Shareholders, significant Shareholders or substantial Shareholders of the Company or any of its subsidiaries, and their respective associates 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 and no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company.
- The Directors confirmed that immediately after completion of the Placing, the public float of the Company will be 25% of the enlarged issued share capital of the Company. No more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders at the time of the Listing.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Tuesday, 8 March 2011.
- **Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

DETERMINATION OF THE PLACING PRICE

The Placing Price has been agreed at HK\$0.485 per Share (excluding brokerage of 1%, SFC transaction levy of 0.003% 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\$105.9 million. The net proceeds from the Placing will be applied for such purposes as set forth in pages 19 and 138 of the Prospectus.

LEVELS OF INDICATIONS OF INTERESTS UNDER THE PLACING

The 250,000,000 Placing Shares offered by the Company under the Placing have been over-subscribed moderately by approximately 4.93 times.

RESULTS OF ALLOCATION

Pursuant to the Placing, 250,000,000 Placing Shares have been conditionally allocated to a total of 321 selected professional, institutional and other investors. The allocation of the Placing Shares is set out as below:

	Aggregate number of Placing Shares allocated	Aggregate 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 Placing (assuming no exercise of the options that were granted or may be granted under the Pre-IPO Share Option Scheme and the Share Option Scheme)
Top placee 1	40,000,000	16.0%	4.0%
2	40,000,000	16.0%	4.0%
3	40,000,000	16.0%	4.0%
Top 5 placees	168,000,000	67.2%	16.8%
Top 10 placees	209,400,000	83.8%	20.9%
Top 25 placees	238,005,000	95.2%	23.8%

Number of Placing Shares allocated	Number of placees
5,000 to 100,000	281
100,001 to 1,000,000	22
1,000,001 to 5,000,000	8
5,000,001 to 10,000,000	5
10,000,001 and above	5
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Total	<u><u>321</u></u>

Cheong Lee Securities Limited (“Cheong Lee”) is one of the distributors in the Placing. Of the 250,000,000 Placing Shares, 158,000,000 Placing Shares, representing approximately 63.2% of the total Placing Shares under the Placing, are allotted to the placees who are Independent Third Parties through Cheong Lee.

The Directors confirmed that no Placing Shares have been placed with any connected person (as defined under the GEM Listing Rules) or to any connected clients of the lead broker or of any distributors (has the ascribed meaning as in Chapter 10 of the GEM Listing Rules) or to any directors or existing Shareholders or their respective associates, whether in their own names or through nominees. All placees, including the placees who are allotted Placing Shares through Cheong Lee, under the Placing are independent of and not connected with any of the Directors, chief executive, Controlling Shareholders, significant Shareholders or substantial Shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries and their respective associates 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 and no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company.

Investor should be aware that the concentration of Shareholders may affect the liquidity of the Shares 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 all times. 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 confirmed that immediately after completion of the Placing, the public float of the Company will be 25% of the enlarged issued share capital of the Company and no more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders at the time of the Listing.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the approval of the listing of, and permission to deal in, the Shares in issue and to be issued as mentioned in the Prospectus on GEM and 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 or such 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.

No receipt will be issued for placing monies paid. The Company will not issue temporary documents of title.

The Share certificates issued in respect of the Placing Shares will be deposited into CCASS on or about Monday, 7 March 2011 for credit to the respective CCASS participants' stock accounts or CCASS Investor Participants' stock accounts designated by the Underwriters, the placing agents, the placees or their agents, as the case may be.

Prospective investors of the Placing Shares should note that the Underwriters are entitled to terminate their obligations under the Underwriting Agreement by the Lead Manager (for itself and on behalf of the Underwriters) giving notice in writing to the Company upon the occurrence of any of the events stated in the sub-section headed "Grounds for termination" under the section headed "Underwriters" in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date. Such events include, without limitation, any acts of God, wars, riots, public disorder, civil commotion, fire, flood, tsunami, explosions, epidemic, pandemic, acts of terrorism, earthquakes, strikes or lock-outs. In the event that the Underwriting Agreement is terminated, an announcement will be published by the Company on the Exchange Website at www.hkexnews.hk and the Company's website at www.cheonglesec.com.hk accordingly.

COMMENCEMENT OF DEALINGS IN SHARES

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Tuesday, 8 March 2011. If there is any change to the expected timetable, an announcement will be published immediately by the Company on the Exchange Website at www.hkexnews.hk and the Company's website at www.cheongleesec.com.hk accordingly. The Shares will be traded in board lots of 5,000 Shares each. The GEM stock code for the Shares is 8098.

By order of the Board
CL Group (Holdings) Limited
Mr. Lau Ka Lung Ali
Chairman

Hong Kong, 7 March 2011

Executive Directors:

Mr. Lau Ka Lung Ali
Mr. Kwok Kin Chung
Ms. Yu Linda
Mr. Lau Kin Hon

Independent non-executive Directors:

Mr. Au-Yeung Tai Hong Rorce
Mr. Chee Kwok Wing Waymond
Ms. Choy Wing Man

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 other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the Stock Exchange website at www.hkexnews.hk for 7 days from the date of its posting. This announcement will also be posted on the Company's website at www.cheongleesec.com.hk.