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Unless otherwise defined, capitalised terms in this announcement shall have the same meanings as those defined in the prospectus dated 29 January 2016 (the “Prospectus”) of Fire Rock Holdings 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 of the Company. 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.

Prospective investors of the Placing Shares should note that the Sole Sponsor or the Sole Global Coordinator may, in its absolute discretion, terminate the Underwriting Agreement by notice in writing to the Company, upon the occurrence of any of the events set forth under the section headed “Underwriting – Underwriting arrangements and expenses – Grounds for termination” in the Prospectus at any time prior to 8:00 a.m. on the Listing Date.



火岩控股有限公司
FIRE ROCK HOLDINGS LIMITED
(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 : 40,000,000 Placing Shares
**Placing Price : HK\$1.28 per Placing Share 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
Stock Code : 8345

Sole Sponsor



China Everbright Capital Limited

Sole Global Coordinator, Sole Bookrunner and Sole Lead Manager



China Everbright Securities (HK) Limited

- The Placing Price has been determined at HK\$1.28 per Placing Share (excluding brokerage fee of 1%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%).
- Based on the Placing Price of HK1.28 per Placing Share, the net proceeds from the Placing to be received by the Company, after deducting the underwriting commission, the SFC transaction levy, the Stock Exchange trading fee and related expenses, are estimated to be approximately HK\$28.9 million. The Directors intend to apply the net proceeds from the Placing in accordance with the purposes set forth in the paragraph headed “Placing Price and use of proceeds” below.
- The Offer Size Adjustment Option has not been exercised by the Sole Global Coordinator and has lapsed.
- The 40,000,000 Shares offered by the Company under the Placing have been moderately over-subscribed.
- Pursuant to the Placing, 40,000,000 Shares have been conditionally allocated to a total of 167 selected professional, institutional and other investors.
- The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing are independent of and not connected with the Company and any of the directors, chief executive, controlling shareholders or substantial shareholders of the Company or any of its subsidiaries and their respective close associates, and are not 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 none of the Shares subscribed by the placees has been financed directly or indirectly by a director, chief executive, controlling shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the placees is accustomed to taking instructions from a director, chief executive, controlling shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it. No placee will, individually, be placed with more than 10% of the total number of issued Shares immediately after completion of 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 Capitalisation Issue and the Placing.
- The Directors confirm that, immediately after completion of the Capitalisation Issue and the Placing, the Company will comply with the public float requirements under Rule 11.23(7) and Rule 11.23(8) of the GEM Listing Rules that the public float of the Company will be 27.25% of the total number of issued Shares and not more than 50% of the total number of issued Shares in public hands at the time of the Listing will be beneficially owned by the three largest public Shareholders.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Thursday, 18 February 2016. Shares will be traded in board lots of 2,000 Shares each. The stock code for the Share is 8345.
- **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 is determined at HK\$1.28 per Placing Share (excluding brokerage fee of 1%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%). The net proceeds from the Placing to be received by the Company, after deduction of underwriting fees and commissions and estimated total listing expenses paid/payable by the Company in connection with the Placing, are estimated to be approximately HK\$28.9 million. The Directors intend to apply the net proceeds from the Placing for the following purposes:

- approximately 10%, or HK\$2.9 million, will be used for continual optimisation of the Group's existing games on various platforms;
- approximately 25%, or HK\$7.2 million, will be used for development of the Group's new game series in the browser platform;
- approximately 25%, or HK\$7.2 million, will be used for development of the Group's new game series in the mobile platform;
- approximately 12.5%, or HK\$3.6 million, will be used for seeking opportunities to obtain/acquire the adaptation rights of appropriate source materials;
- approximately 12.5%, or HK\$3.6 million, will be used for the acquiring of/investment in game developers and related companies;
- approximately 10%, or HK\$2.9 million, will be used for the enhancement and diversification of the Group's game development capabilities; and
- the remaining amount of approximately HK\$1.5 million, representing approximately 5% of the net proceeds, will be used to provide funding for the Group's working capital and other general corporate purposes.

LEVEL OF INDICATIONS OF INTERESTS UNDER THE PLACING AND THE LAPSE OF OFFER SIZE ADJUSTMENT OPTION

The 40,000,000 Shares offered by the Company under the Placing have been moderately over-subscribed.

The Offer Size Adjustment Option has not been exercised by the Sole Global Coordinator and has lapsed.

RESULTS OF ALLOCATION

Pursuant to the Placing, 40,000,000 Placing Shares have been conditionally allocated to a total of 167 selected professional, institutional and other investors. The distribution of the Placing Shares is set out below:

	Aggregate number of Placing Shares allocated	Aggregate percentage of Placing Shares allocated	Aggregate percentage of shareholding after completion of the Capitalisation Issue and the Placing
Top placee	7,030,000	17.58%	4.39%
Top 5 placees	22,230,000	55.58%	13.89%
Top 10 placees	32,470,000	81.18%	20.29%
Top 25 placees	39,584,000	98.96%	24.74%

Number of Placing Shares allocated	Number of placees
2,000 to 10,000	138
10,001 to 100,000	7
100,001 to 1,000,000	9
1,000,001 to 2,000,000	6
2,000,001 to 3,000,000	1
3,000,001 and above	6
Total	167

The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing are independent of and not connected with the Company and any of the directors, chief executive, controlling shareholders, substantial shareholders of the Company or any of its subsidiaries and their respective close associates, and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing. None of the Shares subscribed by the placees has been financed directly or indirectly by a director, chief executive, controlling shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the placees is accustomed to taking instructions from a director, chief executive, controlling shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it. No placee will, individually, be placed with more than 10% of the total number of issued Shares immediately after completion of 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 Capitalisation Issue and the Placing.

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(2)(b) of the GEM Listing Rules, the Shares in public hands should, as at the time of Listing, be held among at least 100 persons.

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of at least 25% of its total number of issued Shares at the time of the Listing and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50% of the total number of issued Shares in public hands at the time of the Listing shall be beneficially owned by the three largest public Shareholders. The Directors confirm that, immediately after completion of the Capitalisation Issue and the Placing, the Company will comply with the public float requirements under Rules 11.23(7) and (8) of the GEM Listing Rules that the public float of the Company will be 27.25% of the total number of issued Shares and not more than 50% of the total number of issued Shares in public hands at the time of the Listing will be beneficially 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 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, which is expected to be on Thursday, 18 February 2016, or such other date as 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 any application monies paid. The Company will not issue any temporary documents of title.

The share certificates issued in respect of the Placing Shares will be deposited into CCASS on or about Wednesday, 17 February 2016 for credit to the relevant CCASS Participants' stock accounts designated by the Sole Global Coordinator, the placing agents, the placees or their agents (as the case may be). Prospective investors of the Placing Shares should note that the Sole Sponsor or the Sole Global Coordinator may in its absolute discretion, upon giving notice in writing prior to 8:00 a.m. on the Listing Date, which is expected to be on Thursday, 18 February 2016, to the Company, terminate the Underwriting Agreement with immediate effect if any of the events set forth under the section headed "Underwriting – Underwriting arrangements and expenses – Grounds for termination" in the Prospectus occur prior to such time. In the event that the Underwriting Agreement does not become unconditional or is terminated in accordance with its terms and conditions, the Placing shall lapse. Notice of lapse of the Placing will be published on the Stock Exchange's website at www.hkexnews.hk, the GEM website at www.hkgem.com and the Company's website at www.firerock.hk.

All share certificates will only become valid certificates of title when the Placing has become unconditional in all respects and the Underwriting Agreement has not been terminated in accordance with its terms prior to 8:00 a.m. on the Listing Date, which is expected to be on Thursday, 18 February 2016.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Thursday, 18 February 2016.

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, the GEM website at www.hkgem.com and the Company's website at www.firerock.hk. Shares will be traded in board lots of 2,000 Shares each. The stock code for the Shares is 8345.

By order of the Board of
Fire Rock Holdings Limited
Huang Yong
Executive Director and CEO

Hong Kong, Wednesday, 17 February 2016

As at the date of this announcement, the Chairman and non-executive Director is Mr. Zhang Yan; the executive Directors are Mr. Huang Yong, Mr. Wu Zhe and Mr. Rao Zhenwu; and the independent non-executive Directors are Mr. Chan King Fai, Mr. Zhang Xiongfeng and Mr. He Yunpeng.

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 and a copy of the Prospectus will remain on the Stock Exchange's website at www.hkexnews.hk and the GEM website at www.hkgem.com, 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.firerock.hk.