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LEAP Holdings Group Limited

前進控股集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1499)

PROPOSED SHARE SUBDIVISION

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The Board proposes that each of the existing issued and unissued Shares of HK\$0.01 each in the share capital of the Company will be subdivided into two (2) Subdivided Shares of HK\$0.005 each.

The Share Subdivision will become effective upon fulfillment of the conditions set out under the section headed “Conditions of the Share Subdivision” below. All Subdivided Shares will rank *pari passu* with each other in all respects with the Shares in issue prior to the Share Subdivision and the rights attaching to the Subdivided Shares will not be affected by the Share Subdivision.

Upon the Share Subdivision becoming effective, the board lot size for trading will remain unchanged and in board lots of 10,000 Subdivided Shares.

GENERAL

The EGM will be held to consider and, if thought fit, pass an ordinary resolution to approve the Share Subdivision. A circular containing, among other things, further details of the Share Subdivision, together with the notice convening the EGM is expected to be despatched to the Shareholders on Monday, 20 March 2017.

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CONDITIONS OF THE SHARE SUBDIVISION

The Share Subdivision is conditional upon:

- (i) the passing of an ordinary resolution to approve the Share Subdivision by the Shareholders at the EGM; and
- (ii) the Listing Committee of the Stock Exchange granting the approval to the listing of, and permission to deal in, the Subdivided Shares.

An application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Subdivided Shares.

Assuming all the conditions are fulfilled, the Share Subdivision will become effective on the next Business Day following the passing of the ordinary resolution at the EGM, which is expected to be held on Wednesday, 5 April 2017.

EFFECT OF THE SHARE SUBDIVISION

As at the date of this announcement, the authorised share capital of the Company is HK\$100,000,000 divided into 10,000,000,000 Shares, of which 2,631,000,000 Shares are issued and credited as fully paid. Assuming that there is no change in the authorised share capital of the Company and no further Shares are issued or repurchased from the date of this announcement to the date of the Share Subdivision becoming effective, the authorised share capital of the Company will become HK\$100,000,000 divided into 20,000,000,000 Subdivided Shares, of which 5,262,000,000 Subdivided Shares will be in issue and are credited as fully paid.

The Shares are currently traded in board lots of 10,000 Shares. Upon the Share Subdivision becoming effective, the board lot size for trading will remain unchanged and in board lots of 10,000 Subdivided Shares.

The Share Subdivision is not expected to result in any odd lots other than those that already exist and therefore no odd lot arrangement for matching the sale and purchase of odd lots will be made.

FREE EXCHANGE OF SUBDIVIDED SHARES' CERTIFICATES AND TRADING ARRANGEMENT

Subject to the Share Subdivision becoming effective, Shareholders may during the period from Thursday, 6 April 2017 to Thursday, 18 May 2017 (both days inclusive) between 9:00 a.m. and 4:00 p.m. on any Business Day, submit existing share certificates for the Shares in light orange colour to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, to exchange, at the expense of the Company, for new share certificates of the Subdivided Shares in blue colour. After the expiry of such period, each existing share certificate for the Shares will be accepted for exchange

only on payment of a fee of HK\$2.50 (or such higher amount as may from time to time be specified by the Stock Exchange) for each new share certificate issued for the Subdivided Shares or each existing share certificate for the Shares submitted for cancellation, whichever the number of certificates issued or cancelled is higher.

The existing share certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on Tuesday, 16 May 2017 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates will continue to be good evidence of legal title to the Subdivided Shares on the basis of one (1) Share for two (2) Subdivided Shares.

It is expected that the new share certificates for the Subdivided Shares will be available for collection within a period of ten Business Days after the submission of the existing share certificates for the Shares to the Registrar for exchange.

SECURITIES CONVERTIBLE OR EXCHANGEABLE INTO SHARES

As at the date of this announcement, the Company does not have any options outstanding under any share option scheme of the Company or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares.

REASONS FOR THE SHARE SUBDIVISION

The Share Subdivision is intended to improve the liquidity in the trading of the shares of the Company and widen the Company's shareholder base. Following the Share Subdivision taking effect, the nominal value of each Share will decrease and the total number of shares of the Company in issue will increase. It is expected that trading price of the Subdivided Shares will adjust downwards and therefore lower the monetary hurdle of trading of the Subdivided Shares. The liquidity of the Subdivided Shares will be enhanced and the shareholder base of the Company will be widen as a consequence. In view of the above, the Board considers that the Share Subdivision is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Other than the relevant expenses, including professional fees and printing charges incurred, the implementation of the Share Subdivision will have no effect on the consolidated net asset value of the Group, nor will it alter the underlying assets, business, operations, management or financial position of the Company or the interests of the Shareholders. The Directors believe that the Share Subdivision will not have any material adverse effect on the financial position of the Group and is in the interests of the Company and the Shareholders as a whole.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Subdivision and the associated trading arrangement is as follows:

Event	2017
Expected date of despatch of the Circular with the notice and form of proxy of the EGM	Monday, 20 March
Latest time for lodging the form of proxy for the EGM	11:00 a.m. on Monday, 3 April
Expected date and time of the EGM	11:00 a.m. on Wednesday, 5 April
Announcement of results of the EGM	Wednesday, 5 April
The following events are conditional on the fulfillment of the conditions for the implementation of the Share Subdivision as set out in the section headed “Conditions of the Share Subdivision” above	
Effective date of the Share Subdivision	Thursday, 6 April
First day of free exchange of existing share certificates for new share certificates for the Subdivided Shares	Thursday, 6 April
Dealing in the Subdivided Shares commences	9:00 a.m. on Thursday, 6 April
Original counter for trading in the Shares in board lots of 10,000 Shares temporarily closes	9:00 a.m. on Thursday, 6 April
Temporary counter for trading in the Subdivided Shares in board lots of 20,000 Subdivided Shares (in the form of existing share certificates) opens	9:00 a.m. on Thursday, 6 April
Original counter for trading in the Subdivided Shares in board lots of 10,000 Subdivided Shares (in the form of new share certificates for the Subdivided Shares) re-opens	9:00 a.m. on Monday, 24 April
Parallel trading in the Shares and Subdivided Shares (in the form of new share certificates and existing share certificates) commences	9:00 a.m. on Monday, 24 April
Temporary counter for trading the Subdivided Shares in board lot size of 20,000 Subdivided Shares (in the form of existing share certificates) closes	4:00 p.m. on Tuesday, 16 May

Parallel trading in the Shares and the Subdivided Shares (in the form of existing share certificates and new share certificates) ends

4:00 p.m. on Tuesday, 16 May

Last day for free exchange of existing certificates for new share certificates for the Subdivided Shares

Thursday, 18 May

Notes:

(1) All dates and times set out in this announcement refer to Hong Kong local dates and times.

(2) Dates or deadlines specified in this announcement are indicative only and may be varied by the Company. Any consequential changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.leapholdings.hk as and when appropriate and in accordance with the Listing Rules.

GENERAL

The EGM will be held to consider and, if thought fit, pass an ordinary resolution to approve the Share Subdivision. A circular containing, among other things, further details of the Share Subdivision, together with the notice convening the EGM is expected to be despatched to the Shareholders on Monday, 20 March 2017.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the same meanings set out below:

“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday or Sunday) on which banks in Hong Kong are generally open for business
“Company”	LEAP Holdings Group Limited (前進控股集團有限公司), a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider and, if thought fit, approve the Share Subdivision
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Registrar”	Union Registrars Limited, Company’s branch share registrar and transfer office in Hong Kong, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Listing Committee”	has the meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company before the Share Subdivision becoming effective
“Share Subdivision”	the proposed subdivision of each existing issued and unissued Shares into two (2) Subdivided Shares
“Shareholder(s)”	holders of the Share(s) or the Subdivided Share(s) (as the case may be)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	ordinary share(s) of par value of HK\$0.005 each in the share capital of the Company after the Share Subdivision becoming effective
“%”	percentage

By order of the Board
LEAP Holdings Group Limited
Ip Ying Chau
Chairman and Chief Executive Officer

Hong Kong, 9 March 2017

As at the date of this announcement, the Board comprises Mr. Ip Ying Chau (Chairman), Mr. Chan Wing Chung, Ms. Tung Ah Pui Athena, Mr. Chan Chiang Kan and Mr. Mui Wai Sum as executive Directors, and Mr. Cheung Kwok Yan Wilfred, Mr. Feng Zhidong and Mr. Ho Ho Ming as independent non-executive Directors.