

Unless otherwise defined, terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus (the “Prospectus”) of Echo International Holdings Group Limited (the “Company”) dated 30 September 2013.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

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 for detailed information about the Placing described below before deciding whether or not to invest in the Shares thereby being offered.



Echo International Holdings Group Limited

毅高(國際)控股集團有限公司

(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

Number of Placing Shares : 60,000,000 Placing Shares

**Placing Price : HK\$0.60 per Placing Share (payable in full
upon application, plus brokerage of 1%, SFC
transaction levy of 0.003% and Stock
Exchange trading fee of 0.005%)**

Nominal value : HK\$0.01 each

GEM stock code : 8218

Sole Sponsor and Sole Bookrunner



Joint Lead Managers



- The Placing Price is at HK\$0.60 per Placing Share (excluding brokerage fee of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%).
- The initial 60,000,000 Placing Shares offered by the Company under the Placing have been fully subscribed.
- Pursuant to the Placing, 60,000,000 Placing Shares have been conditionally allocated to a total of 138 selected professional, institutional, individual and other investors.
- Based on the Placing Price of HK\$0.60 per Placing Share, the net proceeds to be received by the Company from the Placing, after deducting underwriting fees and other expenses, legal and other professional fees together with applicable printing and other charges and expenses relating to the Placing are approximately HK\$25.12 million.
- Out of the 60,000,000 Placing Shares, an aggregate of 2,500,000 Placing Shares, representing approximately 4.17% of the total number of the Placing Shares and 1.25% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing, have been allocated to Kingsway Lion Spur Technology Limited, a connected client to Kingsway Financial Services Group Limited, a distributor to the Placing.
- Save as disclosed above, the Directors confirm that, to the best of their knowledge and belief, all the placees under the Placing are independent of and not connected with the Company and any of the Directors, chief executive, the Controlling Shareholder or substantial shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, and their respective associates (as defined under the GEM Listing Rules) 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. No placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Placing and the Capitalisation Issue.
- The Directors confirm that, immediately after the Capitalisation Issue and the completion of the Placing, the public float of the Company will be 30% of the enlarged issued share capital of the Company, and not more than 50% of the Shares in public hands at the time of 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. on Friday, 11 October 2013.
- **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 HK\$0.60 per Placing Share (excluding brokerage fee 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, after deducting underwriting fees and other expenses, legal and other professional fees together with applicable printing and other charges and expenses relating to the Placing, are approximately HK\$25.12 million.

The Directors intend to apply such net proceeds in the following manner:

- (a) approximately HK\$8.85 million (representing approximately 35.23% of the net proceeds) will be used for the expansion and upgrading of the production facilities including expansion and upgrading of the existing factory buildings and purchase of SMT machines;
- (b) approximately HK\$10.20 million (representing approximately 40.61% of the net proceeds) will be used for the setup of production facilities for plastic parts including the construction of the plastic production facilities and purchase of plastic injection machines and motor vehicle;
- (c) approximately HK\$3.90 million (representing approximately 15.52% of the net proceeds) will be used for strengthening the Group's position in its established markets and expanding its customer base including expansion of the sales department for plastic products, placing advertisements in trading magazines and website and participating in trade fairs and exhibitions; and
- (d) the remaining balance of approximately HK\$2.17 million (representing 8.64% of the net proceeds) will be used as working capital and funding for other general corporate purposes according to the current business plans of the Group.

LEVEL OF INDICATIONS OF INTERESTS UNDER THE PLACING

The 60,000,000 Placing Shares offered by the Company were fully subscribed.

RESULTS OF ALLOCATION

Pursuant to the Placing, 60,000,000 Placing Shares have been conditionally allocated to a total of 138 selected professional, institutional, individual and other investors. The distribution of the Placing Shares is set out as below:

	Aggregate number of Placing Shares allocated	Approximate percentage of the total number of the Placing Shares allocated	Approximate percentage of shareholding over the enlarged issued share capital of the Company immediately after the Capitalisation Issue and the completion of the Placing
Top placee	19,940,000	33.23%	9.97%
Top 5 placees	39,940,000	66.56%	19.97%
Top 10 placees	52,940,000	88.24%	26.47%
Top 25 placees	59,548,000	99.25%	29.77%

Number of Placing Shares allocated	Number of places
4,000 to 20,000	119
20,001 to 200,000	1
200,001 to 1,000,000	5
1,000,001 to 2,000,000	3
2,000,001 to 3,000,000	5
3,000,001 to 5,000,000	4
5,000,001 to 20,000,000	1
	<hr/>
Total	<u><u>138</u></u>

Out of the 60,000,000 Placing Shares, an aggregate of 2,500,000 Placing Shares, representing approximately 4.17% of the total number of the Placing Shares and 1.25% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing, have been allocated to Kingsway Lion Spur Technology Limited, a connected client to Kingsway Financial Services Group Limited, a distributor to the Placing.

Save as disclosed above, the Directors confirm that, to the best of their knowledge and belief, all the places under the Placing are independent of and not connected with the Company and any of the Directors, chief executive, the Controlling Shareholder or Substantial Shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, and their respective associates (as defined under the GEM Listing Rules) 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. No placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Placing and the Capitalisation Issue.

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(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, the three largest public Shareholders shall not beneficially own more than 50% of the Shares in public hands at the time of Listing. The Directors confirm that, immediately after the Capitalisation Issue and the completion of the Placing, the public float of the Company will be 30% of the enlarged issued share capital of the Company, and not more than 50% of the 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 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 (i.e. Friday, 11 October 2013) 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.

No receipt will be issued for subscription monies for the Placing Shares. The Company will not issue temporary documents of title.

Prospective investors of the Placing Shares should note that Tanrich Capital as one of the Joint Lead Managers (for itself and on behalf of the Underwriters) shall have absolute right by notice in writing to the Company to terminate the Underwriting Agreement upon the occurrence of any of the events set forth under the paragraph headed “Grounds for Termination” under the section headed “Underwriting” in the Prospectus at any time prior to 8:00 a.m. on the Listing Date (i.e. Friday, 11 October 2013). In the event that the Underwriting Agreement is terminated, an announcement will be published by the Company on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.echogroup.com.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 (i.e. Friday, 11 October 2013).

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Friday, 11 October 2013. 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 and the Company’s website at www.echogroup.com.hk. The Shares will be traded in board lots of 4,000 Shares each. The stock code for the Shares is 8218.

By order of the Board
Echo International Holdings Group Limited
Cheng Yeuk Hung
Executive Director

Hong Kong, 10 October 2013

As at the date of this announcement, the executive Directors are Mr. Lo Yan Yee, Ms. Cheng Yeuk Hung, Mr. Cheng Kwing Sang, Raymond, and Mr. Lo Ding To, and the independent non-executive Directors are Mr. Lam Wai Yuen, Mr. Ang Chuk Pai and Mr. Chan Chung Yin, Victor.

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 enquires, 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 will be published on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.echogroup.com.hk.