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(incorporated in the Cayman Islands with limited liability)
(Stock Code: 1360)

PROPOSED SHARE SUBDIVISION AND PROPOSED CHANGE IN BOARD LOT SIZE

PROPOSED SHARE SUBDIVISION

The Board proposes that each of the issued and unissued Shares of HK\$0.01 each in the share capital of the Company be subdivided into five (5) Subdivided Shares of HK\$0.002 each. The Share Subdivision will become effective upon the fulfillment of the conditions set out in the section headed “Conditions of the Share Subdivision” below.

PROPOSED CHANGE IN BOARD LOT SIZE

The Board proposes that subject to and upon the Share Subdivision becoming effective, the board lot size will be changed from 2,000 Shares to 5,000 Subdivided Shares.

Other than the relevant expenses, including but not limited to professional fees and printing charges incurred, the implementation of the Share Subdivision and the Change in Board Lot Size 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.

GENERAL

An EGM will be convened and held to consider and, if thought fit, approve the Share Subdivision. A circular containing, amongst other things, further details of the Share Subdivision and the proposed Change in Board Lot Size, together with a notice convening the EGM, is expected to be despatched to the Shareholders on or before Friday, 28 August 2015.

PROPOSED SHARE SUBDIVISION

The Board proposes that each of the issued and unissued Shares of HK\$0.01 each in the share capital of the Company be subdivided into five (5) Subdivided Shares of HK\$0.002 each.

Effect of the Share Subdivision

Upon the Share Subdivision becoming effective, the Subdivided Shares will rank *pari passu* with each other in all respects and the Share Subdivision will not result in any change in the rights of the Shareholders.

As at the date of this announcement, the authorised share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 Shares of HK\$0.01 each, of which 240,000,000 Shares have been issued and are fully paid or credited as fully paid. The Company has no outstanding options, warrants, conversion rights or other similar rights giving rights to subscribe for any Shares as at the date of this announcement. Upon the Share Subdivision becoming effective, the authorised share capital of the Company will become HK\$10,000,000 divided into 5,000,000,000 Subdivided Shares of HK\$0.002 each, of which 1,200,000,000 Subdivided Shares will be in issue and fully paid or credited as fully paid, assuming that no further Shares are allotted, issued or repurchased prior to the Share Subdivision becoming effective.

Conditions of the Share Subdivision

The Share Subdivision is conditional upon the following:

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

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of and permission to deal in the Subdivided Shares arising from the Share Subdivision.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the date of this announcement, the Shares are traded on the Stock Exchange in board lot size of 2,000 Shares. The Board proposes that subject to the Share Subdivision becoming effective, the board lot size will be changed from 2,000 Shares to 5,000 Subdivided Shares. The Change in Board Lot Size will not affect any of the relative rights of the Shareholders.

Based on the closing price of HK\$5.00 per Share (equivalent to HK\$1.00 per Subdivided Share) as at the date of this announcement, the value of each board lot of 5,000 Subdivided Shares, assuming the Share Subdivision and the Change in Board Lot Size had already become effective, would be HK\$5,000.00.

ODD LOT ARRANGEMENT

As it is expected that no odd lot of the Shares will be created as a result of the Share Subdivision and Change in Board Lot Size, no odd lot arrangement to match the sales and purchase of odd lots will be made.

REASONS FOR THE SHARE SUBDIVISION AND CHANGE IN BOARD LOT SIZE

Upon the proposed Share Subdivision becoming effective, the par value of each Share will decrease and the total number of Shares in issue will increase. The Share Subdivision will result in a downward adjustment to the trading price of the Shares. Based on the closing price of HK\$5.00 per Share as quoted on the Stock Exchange as at the date of this announcement, the market value per board lot of 2,000 Shares is HK\$10,000.00. The estimated market value per new board lot of 5,000 Subdivided Shares will theoretically be reduced to HK\$5,000.00 immediately upon the Share Subdivision and the Change in Board Lot Size becoming effective. The Board believes that the Share Subdivision will reduce the volatility of the trading price of the Shares and thus improving liquidity in the Company's Subdivided Shares. The Board also considers that the proposed Change in Board Lot Size will maintain the trading value for each board lot at a reasonable level. Accordingly, the Board is of view that the Share Subdivision and the Change in Board Lot Size will enable the Company to attract more investors and broaden its shareholders' base.

Save for the expenses to be incurred by the Company in relation to the Share Subdivision and the Change in Board Lot Size, the implementation of the Share Subdivision and the Change in Board Lot Size will not alter the underlying assets, business operations, management or the financial position of the Company or the proportionate interest of the Shareholders. The Board considers that the Share Subdivision and the Change in Board Lot Size are in the interests of the Company and the Shareholders as a whole.

EXCHANGE OF SHARE CERTIFICATES

Subject to the Share Subdivision becoming effective, the Shareholders can submit their existing share certificates for the Shares to the Company's Hong Kong Branch share registrar, Tricor Investor Services Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, in exchange for the new share certificates for the Subdivided Shares free of charge between 9:00 a.m. and 4:30 p.m. on any Business Day from Tuesday, 22 September 2015 to Monday, 2 November 2015 (both days inclusive). After the expiry of such period, existing share certificates 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 existing share certificate cancelled or each new share certificate issued (whichever number of share certificates involved is higher).

In order to distinguish between the existing share certificates and the new share certificates, new share certificates for the Subdivided Shares will be in blue colour, which is different from the existing green colour share certificates for the Shares.

The existing share certificates for the Shares will only be valid for delivery, trading and settlement purposes for the period up to 4:00 p.m. on Thursday, 29 October 2015 and thereafter will not be accepted for delivery, trading and settlement purposes. However, the existing share certificates for the Shares will continue to be good evidence of legal title and may be exchanged for share certificates for Subdivided Shares.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Subdivision and the Change in Board Lot Size is set out below:

2015

Despatch of the circular (including the notice of EGM)
and the form of proxy for the EGM. on or before Friday, 28 August

Latest time for lodging the form of proxy for the EGM 11:00 a.m. on
Saturday, 19 September

Expected date and time of the EGM 11:00 a.m. on
Monday, 21 September

Publication of announcement of the poll results of the EGM Monday, 21 September

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. Tuesday, 22 September

First day of free exchange of existing share certificates
for new share certificates for the Subdivided Shares Tuesday, 22 September

Dealing in Subdivided Shares commences 9:00 a.m. on
Tuesday, 22 September

Original counter for trading in Shares

in board lots of 2,000 Shares temporarily closes 9:00 a.m. on
 Tuesday, 22 September

Temporary counter for trading in Subdivided Shares

in board lots of 10,000 Subdivided Shares
 (in the form of existing share certificates) opens 9:00 a.m. on
 Tuesday, 22 September

Original counter for trading in Subdivided Shares

in board lots of 5,000 Subdivided Shares
 (in the form of new share certificates) reopens 9:00 a.m. on
 Thursday, 8 October

Parallel trading in the Shares and Subdivided Shares

(in the form of existing share certificates and
 new share certificates) commences 9:00 a.m. on
 Thursday, 8 October

Temporary counter for trading in Subdivided Shares

in board lots of 10,000 Subdivided Shares
 (in the form of existing share certificates) closes 4:00 p.m. on
 Thursday, 29 October

Parallel trading in the Shares and Subdivided Shares

(in the form of existing share certificates and
 new share certificates) ends 4:00 p.m. on
 Thursday, 29 October

Last day for free exchange of existing share certificates for

new share certificates for the Subdivided Shares on Monday, 2 November

Note: All times and dates in this announcement refer to Hong Kong local times and dates.

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 as and when appropriate.

GENERAL

A circular containing details of, amongst other things, (i) the Share Subdivision, (ii) the Change in Board Lot Size; and (iii) a notice convening the EGM and related proxy form is expected to be despatched to the Shareholders on or before Friday, 28 August 2015.

DEFINITIONS

In this announcement, the following terms shall have the meanings set opposite them unless the context otherwise requires:

“Board”	the board of Directors
“Business Day(s)”	any day(s) (excluding a Saturday, a Sunday or a public holiday) on which licensed banks in Hong Kong are open for business
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 2,000 Shares to 5,000 Subdivided Shares upon the Share Subdivision becoming effective
“Company”	Mega Expo Holdings Limited, a company incorporated under the laws of Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve the Share Subdivision

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	has the meaning ascribed thereto under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Subdivision”	the proposed subdivision of each of the existing issued and unissued Shares into five (5) Subdivided Shares
“Shareholder(s)”	the holder(s) of the Share(s) or Subdivided Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Share(s)”	ordinary share(s) of HK\$0.002 each in the share capital of the Company upon the Share Subdivision becoming effective

By the order of the Board
Mega Expo Holdings Limited
Yau Yan Ming Raymond
Company Secretary

Hong Kong, 20 August 2015

As at the date of this announcement, the Board comprises Mr. Lam Wa, Mr. Si Tze Fung, Mr. Liu Gejiang and Mr. Sun Sizhi as executive directors; Mr. Yeung Chun Yue, David, Mr. Wong Ka Fai, Paul and Mr. Choi Hung Fai as independent non-executive directors.