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KING FORCE GROUP HOLDINGS LIMITED

冠輝集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 08315)

COMPLETION OF ALLOTMENT AND ISSUE OF CONSIDERATION SHARES FOR THE ACQUISITION OF THE 25% EQUITY INTEREST IN MAGN INVESTMENT LIMITED

The Board announces that completion of the issue of Consideration Shares took place on 12 March 2018, in accordance with the Equity Transfer Agreement and the Supplemental Agreement to satisfy the Consideration for the acquisition of the 25% equity interest in Magn Investment Limited. A total of 4,194,432 Consideration Shares were allotted and issued to the Vendor at the Issue Price of HK\$0.262 per Consideration Share.

The Consideration Shares were allotted and issued pursuant to the General Mandate granted to the Directors by the Shareholders at the annual general meeting of the Company held on 1 September 2015.

INTRODUCTION

Reference is made to (a) the announcement of King Force Group Holdings Limited (the “**Company**”) dated 19 October 2015 and 24 November 2015 in relation to, among others, the acquisition of 25% equity interest in the Target Company by way of issue of the Consideration Shares (the “**Acquisition Announcements**”), (b) the announcements of the Company dated 29 June 2016, 29 January 2018 and 14 February 2018, in relation to, among others, the non-fulfillment of the 2016 Guaranteed Profit and 2017 Guaranteed Profit (the “**Update Announcements**”), and (c) the 2017 annual report of the Company published on 27 June 2017 (the “2017 Annual Report”).

Unless otherwise defined, terms used in this announcement shall have the same meanings as those defined in the Acquisition Announcements and the Update Announcements.

COMPLETION OF THE ALLOTMENT AND ISSUE OF CONSIDERATION SHARES FOR THE ACQUISITION OF THE 25% EQUITY INTEREST IN MAGN INVESTMENT LIMITED

Completion of the allotment and issue of the Consideration Shares (the “**Consideration Issue**”) took place on 12 March 2018, pursuant to which a total of 4,194,432 Tranche B Consideration Shares were allotted and issued to the Vendor at the Issue Price of HK\$0.262 per Consideration Share in accordance with the Equity Transfer Agreement and the Supplemental Agreement to satisfy the Consideration for the acquisition of the 25% equity interest in Magn Investment Limited. The Consideration Shares were allotted and issued under the General Mandate granted to the Directors at the annual general meeting of the Company held on 1 September 2015.

The Tranche B Consideration Shares represent (i) approximately 0.05% of the total issued share capital of the Company immediately before the issue, and (ii) approximately 0.05% of enlarged the total issued share capital of the Company (as enlarged by the allotment and issue of the Tranche B Consideration Shares).

The Consideration Shares issued rank pari passu with the Shares in issue on the date of allotment and issue and are subject to a lock-up period of 3 months after issuance.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structures of the Company immediately before and after the Consideration Issue are set out below:

Name of Shareholders	Immediately before the Consideration Issue		Immediately after the Consideration Issue	
	Number of Shares	Approximate %	Number of Shares	Approximate %
Directors				
Mr. Chen Yunchuo	1,304,000,000	16.67	1,304,000,000	16.66
Others/Substantial Shareholders				
Shenzhen Great Wall Huili Investment Co. Ltd.* (深圳長城匯理投資股份有限公司)	1,156,000,000	14.78	1,156,000,000	14.77
The Vendor	–	–	4,194,432	0.05
Other public Shareholders	5,360,800,000	68.55	5,360,800,000	68.52
Total	<u>7,820,800,000</u>	<u>100.00</u>	<u>7,824,994,432</u>	<u>100.00</u>

* for identification purposes only

By Order of the Board of
King Force Group Holdings Limited
Chen Yunchuo
Chairman and Executive Director

Hong Kong, 12 March 2018

As at the date of this announcement, the executive Directors are Mr. Li Mingming, Mr. Cheng Rui, Ms. Li Liping and Mr. Chen Yunchuo; and the independent non-executive Directors are Mr. Xiong Hong, Mr. Wan Tat Wai David and Mr. Ho Yuk Ming Hugo.

This announcement, for which the Directors of the Company 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 will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the Company’s website at www.kingforce.com.hk.