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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)

VOLUNTARY ANNOUNCEMENT

UPDATE IN RELATION TO THE ACQUISITION OF 100% OF THE ISSUED SHARE CAPITAL OF CHINA BEI DOU COMMUNICATIONS TECHNOLOGY GROUP LIMITED

Reference is made to the announcements (the “**Announcements**”) of King Force Group Holdings Limited (the “**Company**”) dated 19 October 2016, 9 November 2016 and 24 November 2016 in relation to, among other things, the proposed acquisition of 100% of the entire issued share capital of the Target Company (the “**Acquisition**”) and the announcement of the Company dated 16 December 2016 in relation to the completion of the Acquisition. Capitalized terms used herein shall have the same meanings as those defined in the Announcements unless the context otherwise requires.

This announcement serves as an update on the latest developments in relation to, among other matters, the relationship between the Target Group and Bei Dou Jiuyi Information Technology Industry (Beijing) Limited* (北斗九億信息科技產業(北京)有限公司) (“**Bei Dou Jiuyi**”).

The board of directors of the Company wishes to update its shareholders that the Company noted that there are changes to information in relation to Bei Dou Jiuyi on the official website of China National Administration of GNSS and Application (CNAGA) (中國衛星導航定位應用管理中心) (the “**Website**”) on 25 January 2017, which includes the following:-

- (a) a word “凍結” (suspended), which was not shown before, appeared after the name of Bei Dou Jiuyi; and
- (b) a notice, which was not shown before, was published thereon and contains the following information:-
 - (i) As Bei Dou Jiuyi, together with three other entities, did not pass the annual inspection and qualification renewal check, the Branch Services Trial Qualifications* (分理級服務試驗資質) (the “**Qualification**”) granted to Bei Dou Jiuyi has been suspended (the “**Suspension**”), and Bei Dou Jiuyi was required to carry out remedial works within six months;
 - (ii) if Bei Dou Jiuyi successfully carries out the rectifications required, the Qualification will be renewed, otherwise, the Qualification would be revoked by CNAGA.

Bei Dou Jiuyi entered into a business co-operation agreement dated 15 June 2015 with Bei Dou Zhongshan, pursuant to which Bei Dou Jiuyi had agreed to franchise Bei Dou Zhongshan to conduct relevant Bei Don services under its Qualification, subject to the terms and conditions therein. As such, the Company is actively conducting investigation and verification regarding the reasons and effects of such Suspension and is still waiting for results. Meanwhile, the Company is seeking PRC legal opinion on the above issues. The Company will make further announcement(s) as and when appropriate to its Shareholders and public for any update(s) in relation to the above matter.

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

Hong Kong, 27 January 2017

As at the date of this announcement, the executive Directors are Mr. Li Mingming, Mr. Chen Yunchuo and Ms. Li Liping; 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 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 Stock Exchange’s website at www.hkexnews.hk for 7 days from the date of its posting. This announcement will also be posted on the Company’s website at www.kingforce.com.hk.

* For identification purposes only.