

Unless otherwise defined herein, capitalised terms in this announcement shall have the same meanings as those defined in the prospectus dated 12 May 2014 (the “**Prospectus**”) issued by Baguio Green Group Limited (the “**Company**”).

The Company makes this announcement pursuant to section 9(2) of the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong) (the “**Stabilizing Rules**”) and this announcement is for information purposes only and does not constitute an offer or an invitation by any person to acquire, purchase or subscribe for securities of the Company.

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**Baguio Green Group Limited**

**碧瑤綠色集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1397)**

**STABILISING ACTIONS, END OF STABILISATION PERIOD  
AND FULL EXERCISE OF OVER-ALLOTMENT OPTION**

**END OF STABILISATION PERIOD**

The Company announces that the stabilisation period in connection with the Global Offering ended on 14 June 2014.

## **STABILISING ACTIONS**

The Company was informed that stabilising actions undertaken by Guotai Junan Securities (Hong Kong) Limited, the Stabilising Manager, during the stabilisation period involved:

1. over-allocation of an aggregate of 15,000,000 Shares in the International Placing, representing 15% of the number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
2. the borrowing of 15,000,000 Shares by the Stabilising Manager from Baguio Green (Holding) Limited pursuant to the Stock Borrowing Agreement to cover the over-allocations in the International Placing;
3. the purchase of an aggregate of 8,996,000 Shares in the price range of HK\$1.19 to HK\$1.20 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) on the market during the stabilisation period;
4. the sale of an aggregate of 8,996,000 Shares in the price range of HK\$1.37 to HK\$1.44 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) on the market during the stabilisation period; and
5. the full exercise of the Over-allotment Option by the Sole Global Coordinator (for itself and on behalf of the other International Underwriters) on 10 June 2014 in respect of 15,000,000 Shares, representing 15% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, to cover over-allocation of Shares in the International Placing.

The last purchase made by the Stabilising Manager on the market during the course of the stabilisation period was on 26 May 2014 at the price of HK\$1.20 per Share (excluding brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%).

## **FULL EXERCISE OF OVER-ALLOTMENT OPTION**

The Company announces that the Over-allotment Option was fully exercised by the Sole Global Coordinator (for itself and on behalf of the other International Underwriters) on 10 June 2014 in respect of 15,000,000 Shares, representing 15% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, to cover over-allocation of Shares in the International Placing.

The Over-allotment Shares have been issued and allotted by the Company at HK\$1.20 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%), being the Offer Price under the Global Offering.

## **END OF STABILISATION PERIOD**

The Company makes this announcement pursuant to section 9(2) of the Stabilizing Rules and announces that the stabilisation period in connection with the Global Offering ended on 14 June 2014, being the 30th day after the last date for lodging applications under the Hong Kong Public Offering.

## **STABILISING ACTIONS**

The Company was informed that stabilising actions undertaken by Guotai Junan Securities (Hong Kong) Limited, the Stabilising Manager, during the stabilisation period involved:

1. over-allocation of an aggregate of 15,000,000 Shares in the International Placing, representing 15% of the number of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option;
2. the borrowing of 15,000,000 Shares by the Stabilising Manager from Baguio Green (Holding) Limited pursuant to the Stock Borrowing Agreement to cover the over-allocations in the International Placing;
3. the purchase of an aggregate of 8,996,000 Shares in the price range of HK\$1.19 to HK\$1.20 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) on the market during the stabilisation period;
4. the sale of an aggregate of 8,996,000 Shares in the price range of HK\$1.37 to HK\$1.44 per Share (exclusive of brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%) on the market during the stabilisation period; and
5. the full exercise of the Over-allotment Option by the Sole Global Coordinator (for itself and on behalf of the other International Underwriters) on 10 June 2014 in respect of 15,000,000 Shares (the “**Over-allotment Shares**”), representing 15% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, to cover over-allocation of Shares in the International Placing.

The last purchase made by the Stabilising Manager on the market during the course of the stabilisation period was on 26 May 2014 at the price of HK\$1.20 per Share (excluding brokerage of 1%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005%).

An aggregate of 15,000,000 Shares borrowed by the Stabilising Manager have been returned to Baguio Green (Holding) Limited pursuant to the Stock Borrowing Agreement.

## **FULL EXERCISE OF OVER-ALLOTMENT OPTION**

The Company announces that the Over-allotment Option was fully exercised by the Sole Global Coordinator (for itself and on behalf of the other International Underwriters) on 10 June 2014 respect of 15,000,000 Shares, representing 15% of the Offer Shares initially available under the Global Offering before any exercise of the Over-allotment Option, to cover over-allocation of Shares in the International Placing.

The Over-allotment Shares are allotted and issued by the Company at HK\$1.20 per Share (exclusive of brokerage, the SFC transaction levy and the Stock Exchange trading fee, if any), being the Offer Price per Share under the Global Offering.

Approval for the listing of and permission to deal in the Over-allotment Shares has already been granted by the Listing Committee of the Stock Exchange.

Immediately after the issuance and allotment of the Over-allotment Shares, the public float will be approximately 27.7%.

The shareholding structure of our Company immediately before and immediately after the issue and allotment by our Company of the Over-allotment Shares is as follows:

Shareholder	Immediately before the allotment and issue of the Over-allotment Shares		Immediately after the allotment and issue of the Over-allotment Shares	
	Number of Shares	Approx. percentage of the Company's issued share capital	Number of Shares	Approx. percentage of the Company's issued share capital
Baguio Green (Holding) Limited (Note)	300,000,000	75.0%	300,000,000	72.3%
Other public shareholders	<u>100,000,000</u>	<u>25.0%</u>	<u>115,000,000</u>	<u>27.7%</u>
<b>Total:</b>	<b><u>400,000,000</u></b>	<b><u>100.0%</u></b>	<b><u>415,000,000</u></b>	<b><u>100.0%</u></b>

Note: Baguio Green (Holding) Limited is wholly-owned by Mr. Ng Wing Hong, the Chairman of the Board and an executive Director.

The net proceeds of approximately HK\$17.5 million from the issue and allotment by the Company of the Over-allotment Shares will be used on a pro-rata basis for the purposes as set out in the section headed "Future plans and use of proceeds" of the Prospectus.

The Company continues to comply with the public float requirements under Rule 8.08(1)(a) of the Listing Rules. No new Shares or securities convertible into equity securities of the Company may be issued within six months from the Listing Date save for the situations set out in Rule 10.08 of the Listing Rules.

By order of the Board of Directors  
**Baguio Green Group Limited**  
**Ng Wing Hong**  
*Chairman*

Hong Kong, 16 June 2014

*As at the date of this announcement, the Board of Directors of the Company comprises Mr. Ng Wing Hong, Ms. Ng Yuk Kwan, Phyllis, Mr. Ng Wing Chuen, Ms. Leung Shuk Ping, Ms. Chan Shuk Kuen, Ms. Cheung Siu Chun as executive Directors; Mr. Sin Ho Chiu, Dr. Law Ka Hung and Mr. Lau Chi Yin, Thomas as independent non-executive Directors.*