

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”).

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This announcement is for information purposes only and does not constitute an offer or an invitation to induce an offer by any person to acquire, purchase or subscribe for securities. Potential investors should read the Prospectus for detailed information about the Company and the Hong Kong Public Offering and the International Placing described below before deciding whether or not to invest in the Shares thereby offered.

If the final Offer Price as agreed between the Sole Global Coordinator (for itself and on behalf of the other International Underwriters) and the Company (for itself and on behalf of the Selling Shareholder) is less than HK\$1.00 and as a result, the size of the Global Offering is less than HK\$100 million, the Sole Global Coordinator (for itself and on behalf of the other International Underwriters) can only exercise the Offer Size Adjustment Option to cover over-allocations under the International Placing and there will be no stabilisation action. Otherwise, if the agreed final Offer Price is equal to or more than HK\$1.00 and as a result, the size of the Global Offering is equal to or more than HK\$100 million, the Sole Global Coordinator (for itself and on behalf of the other International Underwriters) can only exercise the Over-allotment Option to cover over-allocations under the International Placing and there may be stabilisation action. For further details of the Adjustment Option and stabilisation, please refer to the section headed “Structure of the Global Offering” of the Prospectus.

This announcement is not an offer of securities for sale in the United States. The Offer Shares may not be offered, sold or delivered in the United States except pursuant to an exemption from, or in a transaction not subject to, registration requirements under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”) and in accordance with any applicable U.S. securities law. There is not and it is not currently intended for there to be any public offering of securities of the Company in the United States.

In connection with the Global Offering and subject to the size of the Global Offering being equal to or more than HK\$100 million as set out above, the Stabilising Manager, its affiliates or any person acting for it, on behalf of the Underwriters, may effect transactions with a view to stabilising or supporting the market price of the Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilising Manager, its affiliates or any person acting for it, to conduct any such stabilising action, which, if commenced, will be done at the sole and absolute discretion of the Stabilising Manager, its affiliates or any person acting for it, and may be discontinued at any time. Any such stabilising activity is required to be brought to an end on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. Such stabilisation action, if commenced, may be effected in all jurisdictions where it is permissible to do so, in each case in compliance with all applicable laws, rules and regulatory requirements, including the Securities and Futures (Price Stabilizing) Rules, as amended, made under the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Potential investors should be aware that stabilising action cannot be taken to support the price of the Shares for longer than the stabilisation period which begins on the Listing Date and is expected to expire on 14 June 2014, being the 30th day after the last date for the lodging of the Application Forms under the Hong Kong Public Offering. After this date, no further stabilising action may be taken, so the demand for the Shares, and therefore the price of the Shares, could fall.



碧瑤
BAGUIO

Baguio Green Group Limited

碧瑤綠色集團有限公司

(Incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares	:	100,000,000 Shares (subject to the Adjustment Option)
Number of International Placing Shares	:	90,000,000 Shares comprising 70,000,000 New Shares and 20,000,000 Sale Shares (subject to reallocation and the Adjustment Option)
Number of Hong Kong Public Offer Shares	:	10,000,000 Shares (subject to reallocation)
Maximum Offer Price	:	HK\$1.20 per Offer Share, plus brokerage fee of 1.0%, SFC transaction levy of 0.003% and Stock Exchange trading fee of 0.005% (payable in full on application and subject to refund)
Nominal value per Share	:	HK\$0.01
Stock Code	:	1397

Sponsor



國泰君安國際
GUOTAI JUNAN INTERNATIONAL

Guotai Junan Capital Limited

Sole Global Coordinator, Bookrunner and Lead Manager



國泰君安國際
GUOTAI JUNAN INTERNATIONAL

Guotai Junan Securities (Hong Kong) Limited

Co-lead Manager



太平基業證券有限公司

PACIFIC FOUNDATION SECURITIES LIMITED

Application has been made by the Company to the Listing Committee of the Stock Exchange for the granting of the approval for the listing of, and permission to deal in, the Shares in issue and to be issued as described in the Prospectus (including the Shares to be issued pursuant to (i) the Capitalisation Issue; (ii) the Global Offering (including any Shares which may be issued pursuant to the exercise of the Adjustment Option); and (iii) the exercise of any options which may be granted under the Share Option Scheme). Assuming the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Thursday, 22 May 2014, dealings in the Shares on the Main Board are expected to commence at 9:00 a.m. on Thursday, 22 May 2014. In the event the Adjustment Option is exercised, an announcement will be made by the Company on the Company's website at www.baguio.com.hk, and the website of the Stock Exchange at www.hkexnews.hk.

The Global Offering comprises the Hong Kong Public Offering of 10,000,000 (including 1,000,000 Employee Reserved Shares) Shares (subject to adjustment), and the International Placing of an aggregate of 90,000,000 Shares comprising 70,000,000 New Shares and 20,000,000 Sale Shares (subject to adjustment and the Adjustment Option). The allocation of the Offer Shares between the Hong Kong Public Offering and the International Placing will be subject to adjustment as described in the section headed "Structure of the Global Offering — The Hong Kong Public Offering" in the Prospectus.

In connection with the Global Offering and pursuant to the International Underwriting Agreement, the Company expects to grant either an Offer Size Adjustment Option (which is exercisable at any time from the date of the Prospectus to the last Business Day prior to the Listing Date) or an Over-allotment Option (exercisable at any time from the Listing Date until the date falling the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering) to the International Underwriters but not both. The Adjustment Option granted to the International Underwriters allows them to require the Company to issue up to 15,000,000 additional Shares, representing 15% of the number of Shares initially available under the Global Offering.

If the final Offer Price as agreed between the Sole Global Coordinator (for itself and on behalf of the other Underwriters) and the Company (for itself and the Selling Shareholder) is less than HK\$1.00 and as a result, the size of the Global Offering is less than HK\$100 million, the Sole Global Coordinator (for itself and on behalf of the other International Underwriters) can only exercise the Offer Size Adjustment Option to cover over-allocations under the International Placing and there will be no stabilisation action. Our Company will disclose in its allotment results announcement whether and to what extent the Offer Size Adjustment Option has been exercised, and will confirm in the announcement that, if the Offer Size Adjustment Option is not exercised by then, the Offer Size Adjustment Option will lapse and cannot be exercised on any future date. The allotment results announcement will be published on the Stock Exchange website at www.hkexnews.hk and our Company's website at www.baguio.com.hk.

Otherwise, if the agreed final Offer Price is equal to or more than HK\$1.00 and as a result, the size of the Global Offering is equal to or more than HK\$100 million, the Sole Global Coordinator (for itself and on behalf of the other International Underwriters) can only exercise the Over-allotment Option (exercisable at any time from the Listing Date until the date falling the 30th day after the last day for the lodging of applications under the Global Offering) to cover over-allocations under the International Placing and there may be

stabilisation action. For further details of the Adjustment Option and stabilisation, please refer to the section headed “Structure of the Global Offering” of the Prospectus. In the event that the Over-allotment Option is exercised, an announcement will be made.

Subject to the granting of the approval for listing of, and permission to deal in, the Shares on the Main Board and 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 date of commencement of dealings in the Shares on the Stock Exchange or such 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 to enable the Shares to be admitted into CCASS.

The Offer Price will not be more than HK\$1.20 per Offer Share and is expected to be not less than HK\$0.80 per Offer Share. Applicants for the Hong Kong Public Offer Shares are required to pay, on application, the maximum Offer Price of HK\$1.20 per Offer Share together with brokerage of 1%, the SFC transaction levy of 0.003% and the Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price as finally determined is less than HK\$1.20 per Offer Share.

Applications for the Hong Kong Public Offer Shares will only be considered on the basis of the terms and conditions set out in the Prospectus and the Application Forms. Applicants who would like to have the allotted Hong Kong Public Offer Shares registered in their own names should either (i) complete and sign the **WHITE** Application Forms, or (ii) submit applications online through the designated website of the **HK eIPO White Form** Service Provider at www.hkeipo.hk under the **HK eIPO White Form** service. Applicants who would like to have the allotted Hong Kong Public Offer Shares registered in the name of HKSCC Nominees and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participants maintained in CCASS should either (i) complete and sign the **YELLOW** Application Forms, or (ii) give electronic application instructions to HKSCC via CCASS.

Copies of the Prospectus, together with the **WHITE** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Monday, 12 May 2014, until 12:00 noon on Thursday, 15 May 2014 from:

1. the following offices of the following Hong Kong Underwriters:

Guotai Junan Securities (Hong Kong) Limited
27th Floor, Low Block
Grand Millennium Plaza
181 Queen’s Road Central
Hong Kong

Pacific Foundation Securities Limited

11th Floor
New World Tower II
16–18 Queen’s Road Central
Hong Kong

Ever-Long Securities Company Limited

18th Floor
Dah Sing Life Building
99–105 Des Voeux Road Central
Hong Kong

Hong Kong International Securities Limited

23rd Floor
Arion Commercial Centre
2–12 Queen’s Road West
Hong Kong

2. any of the following branches of Bank of China (Hong Kong) Limited:

	Branch name	Branch address
Hong Kong Island	Bank of China Tower Branch	3/F, 1 Garden Road
	Sheung Wan Branch	252 Des Voeux Road Central
	Causeway Bay Branch	505 Hennessy Road, Causeway Bay, Hong Kong
	Chai Wan Branch	Block B, Walton Estate, 341–343 Chai Wan Road, Chai Wan
Kowloon	Yau Ma Tei Branch	471 Nathan Road, Yau Ma Tei
	Mong Kok Branch	589 Nathan Road, Mong Kok
	Kowloon Plaza Branch	Unit 1, Kowloon Plaza, 485 Castle Peak Road
	Kwun Tong Plaza Branch	G1 Kwun Tong Plaza, 68 Hoi Yuen Road, Kwun Tong
New Territories	Kau Yuk Road Branch	18–24 Kau Yuk Road, Yuen Long
	City One Sha Tin Branch	Shop A, 16–20 Ngan Shing Commercial Centre, City One, Sha Tin

Copies of the Prospectus, together with the **YELLOW** Application Forms, may be obtained during normal business hours from 9:00 a.m. on Monday, 12 May 2014 until 12:00 noon on Thursday, 15 May 2014 from the Depository Counter of HKSCC at 2nd Floor, Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong or your stockbroker, who may have such Application Forms and the Prospectus available.

The **WHITE** or **YELLOW** Application Form completed in accordance with the instructions printed thereon, together with a cheque or banker's cashier order payable to "Bank of China (Hong Kong) Nominees Limited — Baguio Public Offer" attached should be deposited in the special collection boxes provided at any of the branches of Bank of China (Hong Kong) Limited referred to above on such dates and during such time as specified in the Application Forms.

Applicants applying by **HK eIPO White Form** service may submit applications through the **HK eIPO White Form** Service Provider at www.hkeipo.hk from 9:00 a.m. on Monday, 12 May 2014 until 11:30 a.m. on Thursday, 15 May 2014 or such later time as described in the section headed "How to apply for the Hong Kong Public Offer Shares and Employee Reserved Shares — Effect of bad weather conditions on the opening of the application lists" in the Prospectus (24 hours daily, except on the last application day).

CCASS Participants can input electronic application instructions from 9:00 a.m. on Monday, 12 May 2014 until 12:00 noon on Thursday, 15 May 2014 or such later time as described in the section headed "How to apply for the Hong Kong Public Offer Shares and Employee Reserved Shares — Effect of bad weather conditions on the opening of the application lists" in the Prospectus (24 hours daily, except on the last application day).

A **PINK** Application Form together with the prospectus can be collected by Eligible Employees from our Company's headquarter at Unit A, 4/F, Dragon Industrial Building No. 93 King Lam Street, Lai Chi Kok, Kowloon, Hong Kong during normal business hours from 9:00 a.m. on Monday, 12 May 2014 until 12:00 noon on Wednesday, 14 May 2014. Electronic copies of the **PINK** Application Form and the prospectus can be viewed from the website of the Company at www.baguio.com.hk. Your completed **PINK** Application Form, together with a cheque attached and marked payable to "Bank of China (Hong Kong) Nominees Limited — Baguio Public Offer" for the payment must be returned to our Company's headquarter at Unit A, 4/F, Dragon Industrial Building No. 93 King Lam Street, Lai Chi Kok, Kowloon, Hong Kong by 12:00 noon on Wednesday, 14 May 2014.

Please refer to the sections headed "Structure of the Global Offering" and "How to apply for the Hong Kong Public Offer Shares and Employee Reserved Shares" in the Prospectus for details of the conditions and procedures of the Hong Kong Public Offering.

The Company expects to publish the announcement on the Offer Price, the level of indications of interest in the International Placing, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Public Offer Shares under the Hong Kong Public Offering (i) in South China Morning Post (in English); (ii) in the Hong Kong Economic Times (in Chinese); (iii) on the website of the Stock Exchange (www.hkexnews.hk); and (iv) on the Company's website (www.baguio.com.hk) on Wednesday, 21 May 2014. The results of allocations and the Hong Kong Identity Card/passport/Hong Kong Business Registration numbers of successful applicants under the Hong Kong Public Offering will be available through a variety of channels from Wednesday, 21 May 2014 as described in the section headed "How to Apply for the Hong Kong Public Offer Shares and Employee Reserved Shares — Publication of Results" in the Prospectus.

The Company will not issue temporary documents of title. Share certificates will only become valid at 8:00 a.m. on Thursday, 22 May 2014 provided that the Global Offering has become unconditional and the right of termination described in the section headed “Underwriting — Underwriting arrangements and expenses — Hong Kong Underwriting Agreement — Grounds for termination” in the Prospectus has not been exercised. No receipt will be issued for application monies received. Dealings in the Shares on the Main Board are expected to commence at 9:00 a.m. on Thursday, 22 May 2014. The Shares will be traded in board lots of 4,000 Shares each. The stock code of the Shares is 1397.

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

Hong Kong, 12 May 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.