

**LC GROUP HOLDINGS LTD:
THIS FLOTATION, JUST ABOUT, TAKES THE CAKE**

With rapidly declining profits, having been recorded, during the past three Financial Years, ended September 30, 2014, and with a guarantee of an even steeper decline in the Bottom Line with regard to the Current Financial Year, steeper, that is, than in the previous three Financial Years, LC Group Holdings Ltd () (Code: 1683, Main Board, The Stock Exchange of Hongkong Ltd) has decided to launch a Share Offer, the number of Shares to be sold in this cash-raising exercise, being equivalent to 25 percent of the Issued and Fully Paid-Up Share Capital of the Company.

LC Group published and disseminated its Global Offering Prospectus on August 21, 2015.

The Company is Offering 125 million, one-cent Shares at the Indicative Offer Price Per Share, ranging from a low of 85 cents to a high of \$HK1.00.

At the midpoint of the Indicative Offer Price Per Share, being 92.50 cents, Management estimates that it will garner, net of all costs, associated with this listing, about \$HK92.50 million.

Investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) are being Offered 12.50 million Shares, the remaining 112.50 million Shares, being Placed, presumably with institutional investors and individuals with very deep pockets.

On the assumption that the Share Offer is successful (all of the Shares on Offer are taken up and that the Offer Price Per Share is close to the midpoint of the Indicative Offer Price Per Share), the \$HK92.50 million, being the estimated net proceeds of this Initial Public Offering (IPO), will be utilised as follows, according to Page 214 of the Share Offer Prospectus:

1. Approximately, \$HK41.50 million, that is about 45 percent of the net proceeds, *'will be used for financing the potential acquisitions of companies and/or businesses which are primarily engaged in DFD (Design, Fit out and Decoration) works that complement our existing business to expand our contracting capabilities'*;
2. Approximately, \$HK18.50 million, that is about 20 percent of the net proceeds, *'will be used for financing the establishment of new regional offices in the PRC, our Directors believe that establishing regional offices would strengthen our market presence and client relationship in the PRC'*;
3. Approximately, \$HK13.80 million, that is about 15 percent of the net proceeds, *'will be used for promoting our brand by strengthening our marketing efforts to increase our market share'*;
4. Approximately, \$HK9.20 million, that is about 10 percent of the net proceeds, *'will be used for recruiting high caliber talents in management, design, decoration, finance, sales and marketing and enhance internal training to support future growth'*; and,
5. Approximately, \$HK9.20 million, that is about 10 percent of the net proceeds, will be tipped into the Working Capital Account.

The Business of LC Group

LC Group is engaged in designing interiors and decorating them in accordance with customers' requirements.

This Company is about 19 years old, having been founded by the husband-and-wife team of Mr and Mrs Rudoff Leong Hing Loong.

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