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*This press release contains forward-looking statements regarding future events. Such forward-looking statements are not guarantees of future performance of KTL International Holdings Group Limited and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in such forward-looking statements.*

**[For Immediate Release]**



**(Stock Code: 442)**

## **KTL International Holdings Group Limited**

### **Details of the Proposed Listing on the Main Board of The Stock Exchange of Hong Kong Limited**

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#### **Global Offering of 28,000,000 Shares**

**Not more than HK\$5.00 per Offer Share and expected to be not less than HK\$3.00 per Offer Share**

HONG KONG, 26 February 2015 – **KTL International Holdings Group Limited** (“KTL International” or “the Company”), an integrated fine jewellery provider and an original design manufacturer with a well-established operating history in Hong Kong, announces details of its proposed listing on the Main Board of The Stock Exchange of Hong Kong Limited (“Stock Exchange”).

The Global Offering initially consists of an aggregate of 28,000,000 Offer Shares (subject to the Adjustment Option), of which 25,200,000 Shares (subject to reallocation and the Adjustment Option) will be offered under the International Placing and 2,800,000 Shares (subject to reallocation) be offered under the Hong Kong Public Offering. In addition, the Company is expected to grant to the International Underwriters an Adjustment Option, namely an Over-allotment Option or an Offer Size Adjustment Option as the case may be, exercisable by the Joint Bookrunners (for themselves and on behalf of the other International Underwriters), pursuant to which the Company may be required to allot and issue up to an aggregate of 4,200,000 additional Shares, representing approximately 15% of the total number of Shares

initially available under the Global Offering.

The offer price range (exclusive of brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) will be between HK\$3.00 and HK\$5.00 per Share. Assuming the mid-point of the indicative range of the offer price of HK\$4.00 per Share, the Adjustment Option is not exercised and after deducting underwriting fees and estimated expenses in connection with the Global Offering, the Company's net proceeds from the Global Offering is estimated to amount to approximately HK\$72.9 million.

CCB International Capital Limited is the Sole Global Coordinator; CCB International Capital Limited and China Galaxy International Securities (Hong Kong) Co., Limited are the Joint Sponsors; and CCB International Capital Limited, China Galaxy International Securities (Hong Kong) Co., Limited and Convoy Investment Services Limited are the Joint Bookrunners and Joint Lead Managers.

The Hong Kong Public Offering will open at 9:00 a.m. on Friday, 27 February 2015, and will close at 12:00 noon on Wednesday, 4 March 2015. The offer price is expected to be determined on or around Wednesday, 4 March 2015 and not later than Friday, 6 March 2015, while the allotment results will be announced on Tuesday, 10 March 2015. Trading of the Company's Shares on the Main Board of the Stock Exchange is expected to commence on Wednesday, 11 March 2015 under the stock code of 442. Shares will be traded in board lots of 1,000 Shares.

### **Proposed Use of Net Proceeds**

KTL International will use (i) approximately 32.4% of the net proceeds from the Global Offering for the fitting out and decoration of its premises at South of Yuwotou Town Road, Dongshen Village, Dongyong Town, Nansha District, Guangzhou, which are contemplated to be used as an exhibition centre with multiple showrooms to showcase its design concepts and products to its customers and a staff training centre; (ii) approximately 27.4% will be used for purchasing raw materials, more specifically diamonds; (iii) approximately 16.5% will be used for upgrading its ERP system and IT infrastructure; (iv) approximately 13.7% will be used for the development and enhancement of its design capability. The remaining amount, representing approximately 10.0% of the net proceeds, will be used for the Company's working capital and other general corporate purposes.

### **An Integrated Fine Jewellery Provider and Original Design Manufacturer in Hong Kong with Well-established and Strong Business Relationship with Customers Worldwide**

KTL International is an integrated fine jewellery provider and an original design manufacturer with a well-established operating history in Hong Kong primarily engaged in designing, manufacturing and exporting fine jewellery to jewellery wholesalers and retailers mainly in Russia, the Americas

and other European countries. According to the Company's industry research consultant IPSOS Hong Kong Limited ("IPSOS"), KTL International ranked second among the top five fine jewellery export manufacturers in 2013 in terms of export value in Hong Kong.

The Company offers a wide range of fine jewellery products in karat gold including rings, earrings, pendants, necklaces, bracelets, bangles, cufflinks, brooches and anklets, which are generally targeted at the mass to middle segment of the fine jewellery market.

### **Strong Design Capability Backs Product Success**

The success of KTL International's products lies in the ability of the Company to continuously create and produce appealing designs referencing changing market trends and customer preferences, as well as to develop innovative production techniques to facilitate quantity production of products bearing a variety of designs. The design works of KTL International have been well-recognized by industry associations and favoured by customers in various geographical locations, winning it with various design awards and accreditations over the years. The Company's strong design capability is exemplified by its patented design of "Diamonds in Snowflake" (冰花鑽), a unique stone-setting technique involving the setting of diamonds in multiple layers to create the appearance of one single diamond with larger table size.

KTL International's demonstrated capability in design and craftsmanship, coupled with its scale production capability, has distinguished itself with its peers and competitors, and appealed to customers looking for large quantity of supply of jewellery products with constantly varying styles and designs and quality and consistency in craftsmanship.

### **Provision of Services Catering for Customers' Varying Needs**

KTL International prides itself in its business model that encompasses not only production capability, quality craftsmanship and design capability, but also services which are viewed as collaborating efforts with its customers to promote their end consumer sales. These services range from product series theme and story-line creation, product designs in sets/series, to product positioning, product showcasing and product launch strategies, as well as marketing support to cater for the varying needs of the customers. The Company endeavours to share its observation on market trends, conduct discussions and interactive sessions with key customers, and strive to collaborate with them to enhance overall customer appeal of their jewellery products and promote stronger retail sales. Committed to extending services over and above a mere manufacturer and supplier of jewellery products, KTL International has managed to forge a long, trusting and mutually beneficial relationship with its customers with strategic values to them.

### **Experienced, Stable and Dedicated Management Team**

KTL International's senior executives come with a wealth of experience and knowledge in the fine jewellery industry. The management team of the Company comprises members focusing on various areas that cover sales and marketing management, financial management, product development design and craftsmanship, as well as production management. The experience and network of the management team are fundamental to KTL International in building a solid foundation for the development of its business.

**Mr. Kei York Pang, Co-Chairman, Executive Director and Chief Executive Officer of KTL International Holdings Group Limited**, said, "We are excited that KTL International has earned its way to the international capital market through its listing on the Stock Exchange of Hong Kong. This has marked a significant chapter in the Company's history of development since our inception in 1990. We are proud of our achievement in having reached this milestone."

**Mr. Li Man Chun, Co-Chairman, Executive Director and Chief Operating Officer of KTL International Holdings Group Limited**, added, "As we charge ahead, we remain committed to expanding our footprint to become a leading player in the fine jewellery market by increasing our market share in existing markets and reaching out into new markets. While diversifying further our markets to the United States and the PRC, we will also enhance our product offerings together with integrated services to broaden our customer base, heighten our design capability, and continue to sharpen our sales and operating capabilities."

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### **About KTL International Holdings Group Limited**

KTL International is an integrated fine jewellery provider and an original design manufacturer with a well-established operating history in Hong Kong. Primarily engaged in designing, manufacturing and exporting fine jewellery to jewellery wholesalers and retailers, the Company's customer base spans over Russia, the Americas, other European countries, the PRC and the Middle East. According to IPSOS, KTL International ranked second among the top five fine jewellery export manufacturers in Hong Kong in 2013 in terms of export value.

*For more details, please refer to the listing prospectus of KTL International dated 27 February 2015.*

### **For further enquiries, please contact Hill+Knowlton Strategies Asia:**

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## KTL International Holdings Group Limited

### Offering Statistics

No. of Offer Shares under the Global Offering	:	28,000,000 Shares (Subject to the Adjustment Option)
No. of International Placing Shares	:	25,200,000 Shares (Subject to reallocation and the Adjustment Option)
No. of Hong Kong Public Offer Shares	:	2,800,000 Shares (subject to reallocation)
Offer Price Range	:	HK\$3.00 to HK\$5.00 per Share, plus brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%
Market Capitalization	:	HK\$240 million to HK\$400 million (Assuming the Adjustment Option is not exercised and no options are granted under the Share Option Scheme)
Dealing of Shares Expected to Commence	:	11 March 2015
Stock Code	:	442
Board Lot	:	1,000 shares

### Where to collect the application forms and prospectuses:

For the Hong Kong Public Offering, white application forms and prospectuses can be obtained during normal business hours between 9:00 a.m. on Friday, 27 February 2015 to 12:00 noon on Wednesday, 4 March 2015 from the Joint Bookrunners, namely CCB International Capital Limited, China Galaxy International Securities (Hong Kong) Co., Limited and Convoy Investment Services Limited and any of the branches of the following receiving banks:

Bank of Communications Co., Ltd, Hong Kong Branch

District	Branch	Address
Hong Kong Island	Hong Kong Branch	20 Pedder Street, Central
	Taikoo Shing Sub-Branch	Shop 38, G/F, Cityplaza 2, 18 Taikoo Shing Road
Kowloon	Cheung Sha Wan Plaza Sub-Branch	Unit G04, Cheung Sha Wan Plaza, 833 Cheung Sha Wan Road
	Kwun Tong Sub-Branch	Shop A, G/F, Hong Ning Court, 55 Hong Ning Road, Kwun Tong
New Territories	Tsuen Wan Sub-Branch	G/F, Shop G9B-G11, Pacific Commercial Plaza, Bo Shek Mansion, 328 Sha Tsui Road, Tsuen Wan
	Shatin Sub-Branch	Shop No. 193, Level 3, Lucky Plaza, Shatin

Hang Seng Bank Limited

District	Branch	Address
Hong Kong Island	Head Office	83 Des Voeux Road, Central
	North Point Branch	335 King's Road
Kowloon	Tsimshatsui Branch	18 Carnarvon Road
	Yaumati Branch	363 Nathan Road

Applicants may also complete electronic applications under the White Form eIPO service through the designated website [www.hkeipo.hk](http://www.hkeipo.hk).

Yellow application forms and the prospectuses can be obtained during normal business hours from 9:00 a.m. on Friday, 27 February 2015 to 12:00 noon on Wednesday, 4 March 2015 from the Depository Counter of Hong Kong Securities Clearing Company Limited at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong, or from the applicant's stockbroker.