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KINGBO STRIKE LIMITED

工蓋有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code : 1421)

TERMINATION OF DISCLOSEABLE TRANSACTION AND CHANGE IN USE OF PROCEEDS

TERMINATION OF DISCLOSEABLE TRANSACTION

Reference is made to the announcements of Kingbo Strike Limited (the “**Company**”) dated 16 June 2017 and 27 September 2017 (the “**Announcements**”) in relation to the Acquisition. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

On 12 January 2018, the Purchaser and the Vendor entered into a deed of termination (the “**Deed of Termination**”) pursuant to which the parties agreed to terminate the Provisional Agreement (as extended by the Extension Letter). As such, the parties would not proceed to enter into the Formal Agreement and the Acquisition has lapsed. Pursuant to the Deed of Termination, the Vendor had fully returned the deposit in the amount of HK\$10,000,000 (without interest) to the Purchaser on the date of the Deed of Termination.

The Board considers that the termination of the Provisional Agreement would not have any material adverse effect on the existing business operations and the financial position of the Group.

CHANGE IN USE OF PROCEEDS

Reference is also made to the announcement of the Company dated 20 June 2017 (the “**Placing Announcement**”) in relation to the placing of new shares of the Company under general mandate.

* *For identification purposes only*

As disclosed in the Placing Announcement, the Company intended to apply the net proceeds from the placing as to HK\$20,000,000 to finance the Acquisition. As the Acquisition has lapsed, the Company intends to apply the sum of HK\$20,000,000 as general working capital of the Group. As at the date of this announcement, all other net proceeds from the placing have been utilised as intended.

By Order of the Board
Kingbo Strike Limited
Liu Yancheng
Chairman

Hong Kong, 12 January 2018

As at the date of this announcement, the directors of the Company are:

Executive Directors

Mr. Liu Yancheng (*Chairman*)
Mr. Yao Runxiong
Mr. Liu Xinsheng
Mr. Peng Rongwu

Independent non-executive Directors

Mr. Leung Po Hon
Mr. Li Jin
Dr. Luo Xiaodong

Non-executive Director

Mr. Tam Tak Wah