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This announcement is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for shares or other securities of the Company. Potential investors should read the Prospectus for detailed information about the Placing described below before deciding whether or not to invest in the Placing Shares thereby being offered.



MEDICSKIN HOLDINGS LIMITED

密迪斯肌控股有限公司

(Incorporated in the Cayman Islands with limited liability)

LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF PLACING

Number of Placing Shares : 100,000,000 Placing Shares comprising
66,668,000 New Shares and 33,332,000 Sale
Shares

Placing Price : HK\$0.6 per Placing Share plus brokerage of
1%, SFC transaction levy of 0.0027% and
Stock Exchange trading fee of 0.005%
(payable in full on application)

Nominal value : HK\$0.01 per Share

Stock code : 8307

Sole Sponsor



Shenyin Wanguo Capital (H.K.) Limited

Joint Bookrunners and Joint Lead Managers



Shenyin Wanguo Capital (H.K.) Limited



GREAT ROC
CAPITAL SECURITIES LIMITED
鴻鵬資本證券有限公司

- The Placing Price is HK\$0.6 per Placing Share (excluding brokerage fee of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%).
- Based on the Placing Price of HK\$0.6 per Placing Share, the net proceeds to be received by the Company from the Placing of New Shares are estimated to be approximately HK\$23.5 million.
- The 100,000,000 Placing Shares offered by the Company and the Selling Shareholder (comprising 66,668,000 New Shares and 33,332,000 Sale Shares respectively) under the Placing have been fully subscribed and have been conditionally allocated to a total of 108 institutional, professional and other investors in Hong Kong.
- The Directors confirm that all the placees under the Placing are independent of the Company, its connected persons (as defined under the GEM Listing Rules) and any type of person or group of persons as referred to in Note 1 to Rule 10.12(4) of the GEM Listing Rules, whether in their own names or through nominees. No placee will, individually, be placed with more than 10% of the enlarged issued share capital of the Company immediately after completion of the Placing and the Capitalisation Issue, and there will be no new Substantial Shareholder immediately after completion of the Placing and the Capitalisation Issue.
- The Directors further confirm that, immediately after completion of the Placing and the Capitalisation Issue, the public float of the Company will be 25% of the enlarged issued share capital of the Company, and not more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Thursday, 18 December 2014. Shares will be traded in board lots of 4,000 Shares each. The stock code of the Shares is 8307.
- **Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

Reference is made to the prospectus of the Company dated 12 December 2014 (the “Prospectus”). Unless the context otherwise requires, terms and expressions used herein shall have the same meanings as defined in the Prospectus.

PLACING PRICE AND USE OF PROCEEDS

The Placing Price is HK\$0.6 per Placing Share (excluding brokerage fee of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%). The net proceeds to be received by the Company from the Placing of New Shares (after deducting estimated expenses payable by the Group in connection with the Listing) are estimated to be approximately HK\$23.5 million. It is intended that the net proceeds will be applied as follows:

- approximately 51.5% of the total estimated net proceeds, or approximately HK\$12.1 million, will be used to expand and strengthen our presence in Hong Kong;
- approximately 17.9% of the total estimated net proceeds, or approximately HK\$4.2 million, will be used to enhance quality and variety of services;
- approximately 21.0% of the total estimated net proceeds, or approximately HK\$4.9 million, will be used for repayment of debts; and
- approximately 9.6% of the total estimated net proceeds, or approximately HK\$2.3 million, will be used for the funding of our working capital and other general corporate uses.

Further details are set out in the section headed “Statement of Business Objective and Use of Proceeds” in the Prospectus.

LEVEL OF INDICATIONS OF INTERESTS UNDER THE PLACING

The 100,000,000 Placing Shares offered by the Company and the Selling Shareholder (comprising 66,668,000 New Shares and 33,332,000 Sale Shares respectively) under the Placing have been fully subscribed.

RESULTS OF ALLOCATION

Pursuant to the Placing, 100,000,000 Placing Shares have been conditionally allocated to a total of 108 institutional, professional and other investors in Hong Kong. The distribution of the Placing Shares is set out as follows:

	Aggregate number of Placing Shares allocated	Approximate percentage of the total number of the Placing Shares allocated	Approximate percentage of shareholding over the enlarged issued share capital of the Company immediately after completion of the Placing and the Capitalisation Issue
Top placee	19,960,000	19.96%	4.99%
Top 5 placees	57,956,000	57.96%	14.49%
Top 10 placees	76,244,000	76.24%	19.06%
Top 25 placees	94,968,000	94.97%	23.74%

Number of Placing Shares allocated

Number of placees

4,000 to 20,000	61
20,001 to 100,000	2
100,001 to 500,000	18
500,001 to 1,000,000	8
1,000,001 to 5,000,000	13
5,000,001 and above	<u>6</u>
Total:	<u><u>108</u></u>

The Directors confirm that all the placees under the Placing are independent of the Company, its connected persons (as defined under the GEM Listing Rules) and any type of person or group of persons as referred to in Note 1 to Rule 10.12(4) of the GEM Listing Rules, whether in their own names or through nominees. No placee will, individually, be placed with more than 10% of the enlarged issued share capital of the Company immediately after the Placing and the Capitalisation Issue, and there will be no new Substantial Shareholder immediately after completion of the Placing and the Capitalisation Issue.

Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of not less than 25% of its total issued share capital at all times of the Listing and thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, the three largest public Shareholders shall not beneficially own more than 50% of the Shares in public hands at the time of Listing. The Directors confirm that, immediately after the completion of the Placing and the Capitalisation Issue, the public float of the Company will be 25% of the enlarged issued share capital of the Company, and not more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM and the 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 Listing Date (i.e. Thursday, 18 December 2014) or any other date as 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 for the Shares to be admitted into CCASS.

No receipt will be issued for subscription monies for the Placing Shares. No temporary documents or evidence of title will be issued by the Company.

The share certificates issued in respect of the Placing Shares will be deposited into CCASS on or before Thursday, 18 December 2014 for credit to the respective CCASS participants' stock accounts or investor participants' stock accounts of the Underwriters, the placees or their agents (as the case may be).

Prospective investors of the Placing Shares should note that the Sole Sponsor (for itself and on behalf of the Underwriters) is entitled to terminate the Underwriting Agreement by notice in writing to the Company given by the Sponsor (for itself and on behalf of the Underwriters), upon the occurrence of any of the events set forth in the paragraph headed "Grounds for termination" in the section headed "Underwriting" in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date, i.e. Thursday, 18 December 2014. In the event that conditions of the

Placing as mentioned therein are not fulfilled (or, where applicable, not waived) prior to the date specified in the Prospectus, the Placing will lapse and the Stock Exchange will be notified immediately. Notice of the lapse of the Placing will be published by the Company on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.medicsskin.com immediately following such lapse.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Thursday, 18 December 2014. If there is any change to the expected timetable, an announcement will be published immediately by the Company on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.medicsskin.com accordingly. The Shares will be traded in board lots of 4,000 Shares each. The stock code for the Shares is 8307.

By Order of the Board
Medicsskin Holdings Limited
Dr. Kong Kwok Leung
Chairman and Executive Director

Hong Kong, 17 December 2014

As at the date of this announcement, the executive Directors are Dr. Kong Kwok Leung, Mr. Lo Kwok Bun, and Ms. Kong Chung Wai, and the independent non-executive Directors are Mr. Lee Ka Lun, Mr. Leung Siu Cheung and Mr. Chan Cheong Tat.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this announcement misleading.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and the Company's website at www.medicsskin.com.