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利寶閣

Li Bao Ge Group Limited

利寶閣集團有限公司

KAFELAKU COFFEE INDUSTRIAL LIMITED

(Incorporated in the British Virgin Islands with limited liability)

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1869)

JOINT ANNOUNCEMENT

- (1) CLOSE OF THE OFFER
IN RELATION TO
MANDATORY UNCONDITIONAL CASH OFFER BY
SILVERBRICKS SECURITIES COMPANY LIMITED
FOR AND ON BEHALF OF THE OFFEROR
TO ACQUIRE ALL THE ISSUED SHARES IN
LI BAO GE GROUP LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO
BE ACQUIRED BY THE OFFEROR AND/OR
PARTIES ACTING IN CONCERT WITH IT);
(2) RESULTS OF THE OFFER;
(3) SETTLEMENT OF THE OFFER;
AND
(4) PUBLIC FLOAT OF THE COMPANY**

Joint Financial Advisers to the Offeror



**建泉融資有限公司
VBG Capital Limited**

Offer Agent to the Offeror



Independent Financial Adviser to the Independent Board Committee

VINCO 榮高

Vinco Financial Limited

CLOSE OF THE OFFER

The Offeror and the Company jointly announce that the Offer made by Silverbricks Securities for and on behalf of the Offeror was closed at 4:00 p.m. (Hong Kong time) on Tuesday, 3 October 2023. The Offer has not been revised or extended.

RESULTS OF THE OFFER

As at 4:00 p.m. (Hong Kong time) on Tuesday, 3 October 2023, being the latest time and date for acceptance of the Offer, the Offeror had received valid acceptances in respect of a total of 183,832,460 Offer Shares under the Offer, representing approximately 16.63% of all the issued Shares as at the date of this joint announcement.

SETTLEMENT OF THE OFFER

Remittances in respect of the cash consideration (after deducting the seller's Hong Kong ad valorem stamp duty) payable for the Offer Shares tendered under the Offer have been/will be despatched to the Offer Shareholders who have accepted the Offer by ordinary post at their own risk as soon as possible, but in any event no later than seven (7) Business Days after the date of receipt by the Registrar of all relevant documents required to render such acceptance complete and valid in accordance with the Takeovers Code.

The latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer is Thursday, 12 October 2023.

SHAREHOLDING STRUCTURE OF THE COMPANY

Immediately after the Completion and prior to the commencement of the Offer Period, the Offeror's Concert Group was interested in a total of 381,161,400 Shares, representing approximately 34.49% of all the issued Shares. Immediately after the close of the Offer, and taking into account the 183,832,460 Acceptance Shares, the Offeror's Concert Group is interested in an aggregate of 564,993,860 Shares, representing approximately 51.13% of all the issued Shares as at the date of this joint announcement.

PUBLIC FLOAT

Immediately after the close of the Offer and as at the date of this joint announcement, subject to the completion of the transfer to the Offeror of the Acceptance Shares, 536,831,140 Shares, representing approximately 48.57% of the entire issued share capital of the Company as at the date of this joint announcement, are held by the public (as defined under the Listing Rules). Accordingly, as at the date of this joint announcement, the Company continues to satisfy the minimum public float requirement as set out under Rule 8.08(1)(a) of the Listing Rules.

INTRODUCTION

References are made to (i) the composite offer and response document in respect of the Offer jointly issued by the Offeror and the Company dated 31 August 2023 (the “**Composite Document**”); (ii) the joint announcement issued by the Offeror and the Company dated 19 September 2023 in relation to the Offer having become unconditional in all respect and that the Offer remains open for acceptance (“**Unconditional Announcement**”). Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Composite Document and the Unconditional Announcement.

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The latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer is Thursday, 12 October 2023.

SHAREHOLDING STRUCTURE OF THE COMPANY

Prior to the commencement of the Offer Period and immediately before the Completion, the Offeror’s Concert Group did not have any interest in the Shares.

Immediately after the Completion and prior to the commencement of the Offer Period, the Offeror’s Concert Group was interested in a total of 381,161,400 Shares, representing approximately 34.49% of the total issued share capital of the Company.

Immediately after the close of the Offer, and taking into account the 183,832,460 Acceptance Shares, the Offeror's Concert Group is interested in an aggregate of 564,993,860 Shares, representing approximately 51.13% of all the issued Shares as at the date of this joint announcement.

Save as disclosed above, none of the members of the Offeror's Concert Group (i) held, controlled or directed any Shares and rights over Shares immediately before the commencement of the Offer Period; nor (ii) has acquired or agreed to acquire any Shares or rights over Shares during the Offer Period and up to and including the date of this joint announcement. Further, none of the members of the Offeror's Concert Group has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company during the Offer Period and up to and including the date of this joint announcement.

The following table sets out the shareholding structure of the Company (i) immediately after the Completion and prior to the commencement of the Offer Period; and (ii) immediately after the close of the Offer (assuming that the transfer to the Offeror of all Acceptance Shares has been completed) and as at the date of this joint announcement:

	Immediately after the Completion and prior to the commencement of the Offer Period		Immediately after the close of the Offer and as at the date of this joint announcement	
	<i>Number of Shares</i>	<i>Approximately %</i>	<i>Number of Shares</i>	<i>Approximately %</i>
Offeror and its concert parties (Note 1)	381,161,400	34.49	564,993,860	51.13
Ms. Chan Josephine Wai Sze (Note 2)	3,275,000	0.30	3,275,000	0.30
Mr. Chow Yiu Pong David (Note 3)	19,324,960	1.75	–	–
Public Shareholders	701,338,640	63.46	536,831,140	48.57
Total	<u>1,105,100,000</u>	<u>100.00</u>	<u>1,105,100,000</u>	<u>100.00</u>

Notes:

1. The Offeror is a company incorporated in the BVI with limited liability, which is wholly owned by Mr. Liang.
2. Ms. Chan Josephine Wai Sze is an executive Director,
3. Mr. Chow Yiu Pong David is a non-executive Director.

PUBLIC FLOAT

Immediately after the close of the Offer and as at the date of this joint announcement, subject to the completion of the transfer to the Offeror of the Acceptance Shares, 536,831,140 Shares, representing approximately 48.57% of the entire issued share capital of the Company as at the date of this joint announcement, are held by the public (as defined under the Listing Rules). Accordingly, as at the date of this joint announcement, the Company continues to satisfy the minimum public float requirement as set out under Rule 8.08(1)(a) of the Listing Rules.

By order of the board of directors of
Kafelaku Coffee Industrial Limited
Liang Naiming
Sole Director

By order of the Board of
Li Bao Ge Group Limited
Chan Chun Kit
Chairman

Hong Kong, 3 October 2023

As at the date of this joint announcement, Mr. Liang Naiming is the sole director of the Offeror. As the sole director of the Offeror, Mr. Liang Naiming accepts full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Vendors, the Directors and the Group) and confirm, having made all reasonable inquiries, that to the best of his knowledge, opinions expressed in this joint announcement (other than that expressed by the Directors in their capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement, other than that relating to the Offeror's Concert Group, and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the sole director of the Offeror in his capacity as such) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statements in this joint announcement misleading.

As at the date of this joint announcement, the executive Directors are Mr. Chan Chun Kit, Ms. Chan Josephine Wai Sze, Ms. Zhu Xueqin and Mr. Liang Naiming; the non-executive Director is Mr. Chow Yiu Pong David; and the independent non-executive Directors are Mr. Kan Sze King Kenneth, Mr. Lee Cheung Yuet Horace and Mr. Chan Ming Kei.

This joint announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange for a minimum period of 7 days from the date of publication and on the website of the Company at <http://www.starofcanton.com.hk>.

In the case of inconsistency, the English version of this joint announcement shall prevail over the Chinese version.