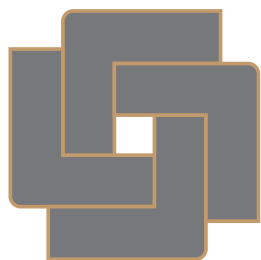


Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



林達控股有限公司
LAMTEX HOLDINGS LTD.

STOCK CODE 股份代號1041

(Incorporated in Bermuda with limited liability)
(Stock Code: 1041)

**PROPOSED ISSUE OF UNLISTED WARRANTS
UNDER SPECIFIC MANDATE
PURSUANT TO CONSULTANCY AGREEMENT**

THE CONSULTANCY AGREEMENT

On 2 September 2018, the Company entered into the Consultancy Agreement with the Consultant, pursuant to which, the Company engaged the Consultant to provide the Consultancy Services. As a consideration for the Consultancy Services, the Company agreed to issue 86,000,000 Warrants conferring the rights to subscribe for an aggregate of 86,000,000 Warrant Shares at the Subscription Price of HK\$0.4 per Warrant Share (subject to adjustment). The subscription right will be exercisable within 36 months from the date of the issue of the Warrants. The aggregate number of the Warrant Shares to be issued will be 86,000,000 Shares, representing (i) approximately 4.9% of the total issued shares of the Company as at the date of this announcement and (ii) approximately 4.72% of the issued share capital of the Company as enlarged by the Warrant Shares.

The issue of Warrants is conditional upon (i) the approval from the Shareholders at the SGM and (ii) the Listing Committee of the Stock Exchange granting or agreeing to grant the listing of and permission to deal in the Warrant Shares.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants. No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

THE CONSULTANCY AGREEMENT

Date: 2 September 2018

Parties: (1) The Company (as service recipient)
(2) Consultant (as service provider)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Consultant and its ultimate beneficial owner are not connected persons or associates of any connected person of the Company.

Term of service under the Consultancy Contract

Six (6) months commencing on 2 September 2018 and ending on 28 February 2019.

Subject Matter

Pursuant to the Consultancy Agreement, the Consultant shall, among others, (i) financing services and assist the Company to identify suitable investors for financing of not less than HK\$500,000,000, for a term of six (6) months; and (ii) consultancy services on acquisition and merge.

Consultancy Service Fee

The Company agreed to issue the Warrants to the Consultant and which are exercisable into 86,000,000 Shares for the financing services and consultancy services provided by the Consultant pursuant to the terms of the Consultancy Agreement. The consultancy service fee was determined after arm's length negotiation between the parties after taking into consideration the fees for similar project financing services and consultancy services.

THE SUBSCRIPTION AGREEMENT

Date

2 September 2018

Parties

- (1) The Company; and
- (2) Consultant.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Consultant and its ultimate beneficial owner are not connected persons or associates of any connected person of the Company.

Issuer of the Warrants

The Company

Number of Warrants

Warrants exercisable into 86,000,000 Warrant Shares

Warrant Exercise Price

The Warrant Exercise Price is HK\$0.4 per Warrant Share, subject to adjustment arising from events such as share consolidation and subdivision, capitalisation issue, capital distribution, rights issue and issue of Shares or securities convertible into Shares at more than 20% discount to the market price.

The Warrant Exercise Price of HK\$0.4 per Warrant Share represents (i) a premium of approximately 50.94% over the closing price of HK\$0.265 per Share quoted on the Stock Exchange on 31 August 2018, being the last trading day for the Shares immediately prior to date of the Subscription Agreement; and (ii) a premium of approximately 58.10% over the average of the closing prices of HK\$0.253 per Share for the last five consecutive trading days for the Shares immediately prior to 31 August 2018.

The Warrant Exercise Price set out above was determined based on the arm's length negotiations between the Company and Consultant, taking into account the recent market prices of the Shares. The Directors consider that the terms of the Warrants (including the Warrant Exercise Price) are on normal commercial terms and are fair and reasonable and in the best interest of the Company and the Shareholders as a whole.

Conditions precedent

The issue of the Warrants by the Company is subject to the fulfilment of each of the following conditions (none of which may be waived):

- (a) The Consultant has fully performed the financing for the Company of not less than HK\$500,000,000;
- (b) the Completion having taken place;
- (c) the Stock Exchange granting the approval for the listing of, and permission to deal in, the Warrant Shares; and
- (d) the passing of resolution(s) by the Shareholders (to the extent they are entitled to vote and not required to abstain on such resolution(s)) at the SGM approving the allotment and issue of the Warrant Shares by the Company under the Specific Mandate, the issue of the Warrants to the relevant Consultant and the issue of the Warrant Shares upon exercise of the Warrant Subscription Rights pursuant to the Warrant Instrument.

In the event that (i) the above conditions (c) and (d) are not fulfilled by 31 December 2018 or such later date as may be agreed between the Company and Consultant, and (ii) the above condition (a) are not fulfilled by 28 February 2019 or such later date as may be agreed between the Company and Consultant, the Subscription Agreement will lapse and become null and void and the parties shall be released from all obligations hereunder, save for the liabilities for any antecedent breaches hereof.

Ranking of the Warrant Shares

The Warrant Shares that fall to be issued upon the exercise of the Warrant Subscription Rights will rank *pari passu* in all respects with the Shares in issue on the relevant date of registration of the name of the relevant holder(s) of the Warrants on the register of members of the Company as holder of such Warrant Shares.

Exercise Period

Each Warrant carries the right to subscribe for one (1) Warrant Share at the Warrant Exercise Price. The subscription rights attaching to the Warrants may be exercised at any time during a period of 36 months commencing from the date of issue of the Warrants. The Warrant Shares, when fully paid and allotted, will rank *pari passu* in all respects with the then existing issued Shares of the Company.

Transferability

The Warrants are transferable in integral multiples of 100,000 Warrants. In the event of a transfer of the Warrants to a connected person (as defined in the Listing Rules) of the Company, prior approval from the Company and the Stock Exchange will be obtained. The Company undertakes to comply with the relevant Listing Rules and to make necessary announcement(s), where appropriate, if and when any transfer of the Warrants to other parties requiring disclosure.

A total of 86,000,000 Warrants are proposed to be issued. Upon full exercise of the subscription rights attaching to the Warrants, a total of 86,000,000 Warrant Shares (subject to adjustment) will be issued, representing (i) approximately 4.9% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 4.72% of the issued share capital of the Company as enlarged by the allotment and issue of the Warrant Shares upon full exercise of the subscription rights attaching to the Warrants.

Voting rights for the holders of the Warrants

The holder of the Warrants will not have any right to attend or vote at any meeting of the Company by virtue of them being holders of the Warrants. The holder of the Warrants shall not have the right to participate in any distributions and/or offers of further securities made by the Company.

Rights of the holders of the Warrants on the liquidation of the Company

If the Company is wound up during the subscription period of the Warrants, all subscription rights attaching to the Warrants which have not been exercised shall lapse, save for in the event of a voluntary winding-up, the holders of the Warrants shall be entitled within six weeks after the passing of such a resolution approving the winding-up to exercise the subscription rights attaching to the Warrants in accordance with the terms and conditions of the Warrants.

Specific Mandate to issue the Warrant Shares

The Warrant Shares will be issued under the Specific Mandate to be sought at the SGM.

Application for listing

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Warrant Shares which may fall to be allotted and issued upon exercise of the subscription rights attaching to the Warrants.

No listing of the Warrants will be sought on the Stock Exchange or any other stock exchanges.

EFFECT OF PLACING ON SHAREHOLDING

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) upon the completion of the Warrant Placing and full exercise of the subscription rights attached to the Warrants are as follows:

Shareholders	As at the date hereof		Immediately after completion of Warrant Placing and assuming full exercise of the subscription rights attached to the Warrants	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
China Force Enterprises Inc. (Note 1)	392,982,456	22.61	392,982,456	21.55
GCL-Poly Energy Holdings Limited (Note 2)	299,498,421	17.23	299,498,421	16.42
Chan Chunsui	205,081,508	11.80	205,081,508	11.24
Public shareholders	840,396,650	48.36	840,396,650	46.07
Consultant	—	—	86,000,000	4.72
Total	<u>1,737,959,035</u>	<u>100.00</u>	<u>1,823,959,035</u>	<u>100.00</u>

Notes:

1. The 392,982,456 shares were held by China Force Enterprises Inc., which was wholly owned by Glory Gate International Limited. Glory Gate International Limited was wholly owned by Legit Ability Limited, which in turn was wholly owned by Ms. Shen Jing who is the aunt of Mr. Wu Xiaolin, an executive director of the Company.
2. The 299,498,421 shares were held by GCL-Poly Energy Holdings Limited, which was listed on the Main Board of the Stock Exchange (stock code: 3800).

INFORMATION OF THE COMPANY AND CONSULTANT

The Company

The Group is principally engaged in securities trading and investment, securities brokerage and provision of securities margin finance, property investment, loan financing services and trading and manufacturing of electronic products.

The Consultant

The Consultant is a company incorporated in British Virgin Islands with limited liability and is principally engaged in providing financing and consultancy services in PRC, Hong Kong and other places. It has extensive experiences in capital raising, mergers, acquisitions and project finance. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Consultant and its ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined under the Listing Rules).

REASONS FOR AND BENEFIT FOR ENTERING INTO THE CONSULTANCY AGREEMENT AND SUBSCRIPTION AGREEMENT

The Consultancy Agreement provides a unique opportunity for the Company to strengthen the financial position of the Group for potential acquisition. The Consultant is an expertise on focusing on capital raising, mergers, acquisitions and project finance in PRC and Hong Kong. It has accumulated extensive expertise and network in the financial sector. The Consultant will assist the Company by way of provision of the development strategy, business cooperation opportunities, relevant acquisition targets and relationship networking. In particular, the Consultant will assist the project group to achieve the performance target through its provision of the consultancy service.

The Company is expected to expend the Group and diversify the business of the Company through acquisition in blockchain technology, business property investment and Factoring business etc.. The Director is of the view that the Consultancy Agreement will enhance the future growth and development of the Company after the completion of financing.

The issue of the Warrants will not have immediate impact on the cash flow of the Company and without immediate dilution of the shareholdings of the existing Shareholders, and, if the subscription rights attaching to the Warrants are exercised, it will benefit the long-term business diversification development of the Company by broadening the capital base of the Company.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms and conditions of the Consultancy Agreement and Subscription Agreement are fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising activities for the 12 months immediately before the date of this announcement:

Date of announcement	Event	Net proceeds	Intended use of proceeds	Actual use of proceeds as at the date of this announcement
8 March 2018 & 29 March 2018	Placing of 170,000,000 new shares at the placing price of HK\$0.43 per placing Share.	Approximately HK\$70.54 million	Approximately HK\$49 million for the development of new business and the remaining balance for general working capital	Approximately HK\$30 million was invested in hotel management business; approximately HK\$20 million was used as deposits regarding the possible acquisition of property investment and; approximately HK\$9.15 million was used in operating expenses of the Group. The rest of the balance not utilised yet.

GENERAL

The SGM will be convened and held for the purpose of considering and, if thought fit, approving the issue of Warrants and the transactions contemplated thereunder, including the issue of Warrant Shares upon exercise of the Warrants. To the best knowledge of the Directors, none of the Shareholders has a material interest in the transactions contemplated under the issue of Warrants, accordingly, no Shareholders will be required to abstain from voting at the SGM.

A circular containing, among other things, further details of the issue of Warrants and a notice to convene the SGM will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules.

DEFINITIONS:

Unless the context otherwise requires, the following terms shall have the meanings set out below:

“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Board”	board of Directors
“Business Day”	any day (not being a Saturday, a Sunday and a public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Lamtex Holdings Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1041)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consultancy Agreement”	the consultancy agreement dated 2 September 2018 entered into between the Company and the Consultant in relation to the provision of (i) financing services (ii) consultancy services on acquisition and merge
“Consultant”	Kingwin Capital Group Limited, a company incorporated in British Virgin Islands with limited liability
“Director(s)”	director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	an independent third party, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, who is not connected with the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited

“PRC”	the People’s Republic of China
“SGM”	an special general meeting of the Company to be convened for the purposes of considering and, if thought fit, passing the necessary resolution(s) to approve, among other matters, the issue of Warrants and the transactions contemplated thereunder, and the issue of Warrant Shares upon exercise of the Warrants
“Share(s)”	means the ordinary share(s) of nominal value US\$0.005 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate for the allotment and issue of the Warrant Shares, which is subject to the approval by the Shareholders voting by way of poll at the SGM
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Agreement”	the subscription agreement dated 2 September 2018 entered into between the Company and the Consultant in relation to the issue of Warrants
“Warrant(s)”	unlisted warrants to be issued by the Company to the Consultant entitling the holders thereof to subscribe in cash for up to an amount of HK\$34,400,000 for the Warrant Shares at the Warrant Exercise Price at any time for the period commencing from the date of issue of the Warrants and ending on the third anniversary thereof (or if that is not a Business Day, the first Business Day immediately following such date) (both days inclusive)
“Warrant closing”	completion of the issue of the Warrants
“Warrant Exercise Price”	an initial exercise price of HK\$0.4 per Warrant Share (subject to adjustment) at which holder of the Warrants may subscribe for the Warrant Share(s)
“Warrant Instrument”	the deed poll constituting the Warrants to be executed by the Company upon the Warrant Closing
“Warrant Shares”	up to initially 86,000,000 new Shares (subject to adjustment) to be allotted and issued upon exercise of the subscription rights attaching to the Warrants

“Warrant Subscription Rights” the subscription rights that are attached to the Warrants

“US\$” means United States Dollars, the lawful currency of the United States of America; and

“%” per cent.

By Order of the Board of
Lamtex Holdings Limited
Wu Xiaolin
Executive Director

Hong Kong, 2 September 2018

As at the date of this announcement, the Board comprises two executive Directors, namely Mr. Wu Xiaolin and Mr. Fan Kaiye; two non-executive Directors, namely Mr. Lung Chee Ming George and Mr. Liu Zhanqing; and three independent non-executive Directors, namely Mr. Tse Long, Dr. Loke Yu (alias Loke Hoi Lam) and Mr. Zeng Zhaolin.