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THELLOY DEVELOPMENT GROUP LIMITED

德萊建業集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8122)

ANNOUNCEMENT IN RELATION TO PUBLIC FLOAT

The board of directors (the “**Board**”) of Thelloy Development Group Limited (the “**Company**”) announces that, as at the date of this announcement, the public float of the Company is 24.75%, which has fallen below 25% of the total issued share capital of the Company held by the public as prescribed by Rule 11.23(7) (the “**Minimum Prescribed Percentage**”) of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”).

To the best knowledge, information and belief of the directors of the Company (the “**Directors**”), as at the date of this announcement, the shareholding structure of the Company is as follows:

	Number of shares of the Company (the “Shares”)	Percentage of total number of issued Shares (%)
Cheers Mate Holding Limited (“ Cheers Mate ”) ^(Note)	600,000,000	75.00
Mr. Chung Koon Man (“ Mr. Chung ”) (<i>executive Director</i>)	2,000,000	0.25
Other Shareholders	<u>198,000,000</u>	<u>24.75</u>
	<u>800,000,000</u>	<u>100.00</u>

Note: Mr. Lam Kin Wing, Eddie (“Mr. Lam”) beneficially owns 100% of the issued share capital of Cheers Mate. By virtue of Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), Mr. Lam is deemed to be interested in 600,000,000 Shares held by Cheers Mate.

The insufficiency of the public float is a result of the appointment of Mr. Chung as an executive Director with effect from 14 April 2016 (the “**Appointment**”). Prior to the Appointment, Mr. Chung, who was interested in 2,000,000 Shares, representing 0.25% of the total issued share capital of the Company, was independent of the Company, the Directors and any other substantial shareholders of the Company and was not involved in the management of the Group. As Mr. Chung became a connected person of the Company upon the Appointment, the Shares held by him ceased to be part of the public float of the Company on 14 April 2016. As a result, the public float of the Company dropped from 25% to 24.75%, which is below the Minimum Prescribed Percentage.

The Company became aware of the insufficiency of the public float in the course of preparing for its interim report for the six months ended 30 September 2016. The Company is considering steps to restore the public float of the Company and undertakes to procure Mr. Chung and/or Cheers Mate to place down their shares to independent third parties to ensure restoration of the Minimum Prescribed Percentage as soon as possible in accordance with the GEM Listing Rules. The Company will make further announcement(s) in this respect as and when appropriate in compliance with the GEM Listing Rules.

Shareholders and prospective investors are advised to exercise caution when dealing in the Shares.

By Order of the Board
Thelloy Development Group Limited
Lam Kin Wing Eddie
Chairman

Hong Kong, 1 November 2016

As at the date of this announcement, the Board comprises three executive Directors namely Mr. Lam Kin Wing Eddie, Mr. Shut Yu Hang and Mr. Chung Koon Man, and three independent non-executive Directors namely Mr. Tang Chi Wang, Mr. Tse Ting Kwan and Mr. Wong Kwong On.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief, (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) there are no other matters the mission of which would make any statement herein or this announcement misleading.

This announcement will remain in the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days form the date of its posting and on the website of the Company at www.thelloy.com.