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**LION ROCK GROUP LIMITED**

獅子山集團有限公司\*

*(Incorporated in Bermuda with limited liability)*

(Stock code: 1127)

**UPDATE ON  
DISCLOSEABLE AND CONNECTED TRANSACTIONS  
CLOSE OF ON-MARKET BUYBACK OF OPUS SHARES**

**INTRODUCTION**

Reference is made to OPUS Share Buyback Announcement. The Board is pleased to announce the close of the OPUS Share Buyback.

On 8 December 2016, OPUS' shareholders approved, at its extraordinary general meeting, to implement an on-market buyback of up to 20 million OPUS Shares. The OPUS Share Buyback commenced on 9 December 2016 and remained open until the earlier of 8 December 2017; or when 20 million OPUS Shares had been bought back by OPUS.

As at the date of this announcement, OPUS has purchased 11,058,026 OPUS Shares, at an aggregate cost of AU\$5.31 million (equivalent to approximately HK\$31.32 million). All OPUS Shares purchased have been/will be cancelled. OPUS' issued share capital now stands at 105,355,570 OPUS Shares.

**OPUS DIRECTOR'S PARTICIPATION IN THE OPUS SHARE BUYBACK**

As referred to in the OPUS Share Buyback Announcement, Mr. Celarc and his associated entities had indicated their intention to sell to OPUS 9,416,239 OPUS Shares at AU\$0.48 per OPUS Share. As at the date of this announcement, Mr. Celarc and his associated entities sold 6,000,000 OPUS Shares on the market, of which 5,574,113 OPUS Shares were purchased by OPUS at AU\$0.48 per OPUS Share, amounting to an aggregate consideration of AU\$2.68 million (equivalent to approximately HK\$15.79 million) under the OPUS Share Buyback. According to the information provided by Mr Celarc, the original acquisition cost of the OPUS Shares sold was approximately AU\$0.743 per OPUS Share.

The ASX Listing Rules impose a moving cap on the price OPUS may pay for the OPUS Shares of 5% above the volume weighted average market price per OPUS Share for the 5 days on which trades were recorded at the ASX before the day on which a purchase under the OPUS Share Buyback was made. OPUS has offered to buy back OPUS Shares on market at the prevailing market price or otherwise as determined by OPUS, subject to the ASX Listing Rules.

The OPUS Share Buyback took place on-market and apart from Mr. Celarc and his associated entities, the Company was not aware of the identities of the related sellers. To the best of the knowledge,

information and belief of the Directors, having made all reasonable enquiries, apart from Mr. Celarc and his associated entities, no other connected person of the Company (as defined in the HK Listing Rules) participated in the OPUS Share Buyback.

## **EFFECT OF THE OPUS SHARE BUYBACK**

Bookbuilders, an indirect wholly-owned subsidiary of the Company, held 59,657,143 OPUS Shares and the OPUS Options as at 8 December 2016, immediately before the commencement of the OPUS Share Buyback. Bookbuilders did not participate in the OPUS Share Buyback. On 2 May 2017, Bookbuilders exercised the OPUS Options in full.

Set out below are the shareholding structure of OPUS (i) as at the date of this announcement; and (ii) as at 8 December 2016, immediately before the commencement of the OPUS Share Buyback.

	<b>As at the date of this announcement</b>		<b>As at 8 December 2016, immediately before the commencement of the OPUS Share Buyback</b>	
	<b>No. of OPUS Shares held</b>	<b>%</b>	<b>No. of OPUS Shares held</b>	<b>%</b>
Bookbuilders	79,657,143	75.6%	59,657,143	61.9%
Richard Celarc and his associates	6,334,647	6.0%	12,334,647	12.8%
Paul Young (a non-executive director of OPUS) and his associates	735,473	0.7%	735,473	0.8%
Other public shareholders of OPUS	18,628,307	17.7%	23,686,333	24.5%
<b>TOTAL</b>	<b>105,355,570</b>	<b>100.0%</b>	<b>96,413,596</b>	<b>100.0%</b>

The OPUS Share Buyback was funded from OPUS' cash reserves and settled in cash. All OPUS Shares purchased have been cancelled.

The audited net profits of OPUS before and after taxation for each of the two financial years immediately preceding the date of this announcement are as follows:

	<b>Audited Profit of OPUS</b>	
	<b>Before taxation AU\$'000</b>	<b>After taxation AU\$'000</b>
For the year ended 31 December 2015	9,799	12,047
For the year ended 31 December 2016	18,060	14,894

The unaudited net asset value of OPUS as at 30 June 2017 was approximately AU\$35,285,000.

## **REASONS FOR AND BENEFITS OF THE OPUS SHARE BUYBACK**

OPUS has turned around its performance since its recapitalisation in 2014. As a result of on budget operational performance, OPUS has been an important part of the Group. The OPUS Share Buyback provided a good opportunity for the Company to further increase its interest in OPUS and was an efficient use of surplus cash at OPUS. In addition, the OPUS Share Buyback provided OPUS' shareholders with the opportunity of realising their investment in OPUS.

In light of the above and since the OPUS Share Buyback was governed by the ASX Listing Rules and the acquisition price per OPUS Share was subject to the moving cap imposed by the ASX Listing Rules, the Directors (including the independent non-executive Directors) consider that the OPUS Share Buyback and the acquisition of OPUS Shares from Mr. Celarc and his associated entities are fair and reasonable, on normal commercial terms and in the interests of the Company and the shareholders of the Company as a whole.

## **LISTING RULES IMPLICATION**

As the relevant applicable percentage ratios in respect of the OPUS Share Buyback is less than 5%, the OPUS Share Buyback does not constitute a notifiable transaction of the Company under Chapter 14 of the HK Listing Rules.

As Mr. Celarc is a director of OPUS, a subsidiary of the Company, Mr. Celarc is a core connected person of the Company under the HK Listing Rules and the acquisition of 5,574,113 OPUS Shares by OPUS from Mr. Celarc and his associated entities constitutes a connected transaction of the Company under Chapter 14A of the HK Listing Rules. As each of the applicable percentage ratios is less than 5%, the acquisition of 5,574,113 OPUS Shares by OPUS is subject to reporting and announcement requirements under Chapter 14A of the HK Listing Rules but is exempt from independent shareholders' approval requirement.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, none of the Directors have any material interest in the acquisition of the OPUS Shares by OPUS from Mr. Celarc and his associated entities. As such, no Director has abstained from voting on the resolutions of the Board approving the acquisition of the OPUS Shares by OPUS from Mr. Celarc and his associated entities.

## **GENERAL**

The Company is principally engaged in the provision of printing services to international book publishers, trade, professional and educational publishing conglomerates and print media companies.

OPUS is a subsidiary of the Company. OPUS is a technology based printing group. OPUS employs a dynamic technology platform that allows it to produce and distribute published content to suit the timing and scale requirements of its customers. OPUS has operations in Australia.

## DEFINITIONS

In this announcement, the following expressions shall, unless the context requires otherwise, have the following meanings:

"ASX"	the Australian Securities Exchange
"ASX Listing Rules"	the Rules Governing the Listing of Securities on the ASX
"AU\$"	Australian dollar, the lawful currency of Australia
"Board"	the board of Directors
"Bookbuilders"	Bookbuilders BVI Limited, a company incorporated in the British Virgin Island with limited liability, and an indirect wholly-owned subsidiary of the Company
"Company"	Lion Rock Group Limited, a company incorporated in Bermuda with limited liability and the issued shares of which are listed on The Stock Exchange of Hong Kong Limited (Stock code: 1127)
"connected person(s)"	has the meaning ascribed thereto under the HK Listing Rules
"Director(s)"	the director(s) of the Company
"Group"	the Company and its subsidiaries
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"HK Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Mr. Celarc"	Mr. Richard Celarc, a director of OPUS, together with his associated entities are currently interested in 6,334,647 OPUS Shares (representing approximately 6.0% of OPUS' total issued share capital).
"OPUS"	OPUS Group Limited, a company incorporated in Australia with limited liability, whose shares are listed on the Australian Securities Exchange (stock code : OPG) and an indirect subsidiary of the Company

"OPUS Options"	20,000,000 options granted by OPUS to Bookbuilders entitling Bookbuilders or its nominee to subscribe for 20,000,000 OPUS Shares at an exercise price of AU\$0.35 per OPUS Share at any time up to and including 30 September 2017
"OPUS Share(s)"	the fully paid ordinary share(s) in the share capital of OPUS
"OPUS Share Buyback"	the on-market share buyback by OPUS, approved by OPUS' shareholders on 8 December 2016, pursuant to the details set out in the OPUS Share Buyback Announcement
"OPUS Share Buyback Announcement"	the Company's announcement dated 7 November 2016 in relation to the OPUS Share Buyback
"%"	per cent.

By Order of the Board  
**Lion Rock Group Limited**  
Yeung Ka Sing  
*Chairman*

Hong Kong, 10 December 2017

*As at the date of this announcement, the Board comprises Mr. Lau Chuk Kin, Ms. Lam Mei Lan, Mr. Lam Wing Yip and Mr. Chu Chun Wan as executive directors; Mr. Guo Junsheng and Mr. Li Hoi David, as non-executive directors; Mr. Yeung Ka Sing, Prof. Lee Hau Leung, Mr. Tsui King Chung, David and Dr. Ng Lai Man, Carmen as independent non-executive directors.*

*\* For identification purpose only*