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TK Group (Holdings) Limited

東江集團(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2283)

**INSIDE INFORMATION
CONVERSION OF PROPERTY OWNERSHIP CERTIFICATE
OF SHENZHEN TANGJIA LAND**

This announcement is made pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the SFO.

In the course of the application by TK Technology (Shenzhen) to convert the existing green-type property ownership certificate, TK Technology (Shenzhen) was informed by the Land Bureau that the Bureau of Urban Planning and Land Commission of Shenzhen Municipality (深圳市規劃國土委) is currently examining policy proposals regarding the conversion of land use from high-technology project to commercial use by payment of land premium for submission for the approval of the municipal government, therefore TK Technology (Shenzhen) should submit the written application after the promulgation of the relevant policy.

The Company has the contingency arrangements as disclosed in the section headed “Business — Properties — Plans to Resolve Risks Related to Certain of Our Leased Properties” of the prospectus dated 11 December 2013 in place and will adopt such measures when it is necessary.

The Company will make further announcement in relation to any development herein as and when appropriate.

Shareholders of the Company and/or investors are advised to exercise caution when dealing in the Company’s securities.

This announcement is made by the board (the “**Board**”) of directors of TK Group (Holdings) Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571) (the “**SFO**”).

Reference is made to the prospectus of the Company dated 11 December 2013 (the “**Prospectus**”). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus.

DEVELOPMENTS AS TO DEFECTS TO LAND TITLE WITH RESPECT TO THE SHENZHEN TANGJIA PLANTS

As disclosed in the Prospectus, TK Technology (Shenzhen), the landlord of the Shenzhen Tangjia Plants, has undertaken to the Company that it shall convert the green-type property ownership certificate of the Shenzhen Tangjia Land into a red-type property ownership certificate so as to rectify the land title defect of the Shenzhen Tangjia Plants. In the course of application by TK Technology (Shenzhen) to convert the existing green-type property ownership certificate, TK Technology (Shenzhen) was informed by the Land Bureau that the Bureau of Urban Planning and Land Commission of Shenzhen Municipality (深圳市規劃國土委) is currently examining policy proposals regarding the conversion of land use from high-technology project to commercial use by payment of land premium (“**Policy Proposals**”) for submission for the approval of the municipal government, therefore TK Technology (Shenzhen) should submit the written application after the promulgation of the relevant policy.

According to the relevant laws and regulations of Shenzhen, leasing of the Shenzhen Tangjia Land must be approved by the Land Bureau and a land premium shall be paid, as TK Technology (Shenzhen) currently holds a green-type property ownership certificate. The Company’s PRC legal advisers confirmed that the relevant laws and regulations of Shenzhen do not specify any penalty for leasing of the Shenzhen Tangjia Land for high-technology project purposes without obtaining prior approval and paying the land premium, such as confiscation of the land or the eviction of the tenant.

The Company has the contingency arrangements as disclosed in the Prospectus in place and will adopt such measures when it is necessary. Such contingency arrangements include relocating to the Backup Plants by exercising the Company’s right to request the Backup Plants Landlord to enter into the formal lease agreement with the Company within 15 days from the Company’s notice to the Backup Plants Landlord for one or more of the Backup Plants pursuant to the Pre-lease Agreements. Towards the expiry of the Pre-lease Agreements, in the event that TK Technology (Shenzhen) has yet to convert the green-type property ownership certificate into red-type property ownership certificate, the Company shall seek to either renew the Pre-lease Agreements or engage another party for a similar arrangement. For details of the contingency arrangements, please refer to the section headed “Business — Properties — Plans to Resolve Risks Related to Certain of Our Leased Properties” of the Prospectus.

The Company will make further announcement in relation to any development herein as and when appropriate.

Shareholders of the Company and/or investors are advised to exercise caution when dealing in the Company's securities.

By Order of the Board
TK Group (Holdings) Limited
Li Pui Leung
Chairman

Hong Kong, 20 March 2014

As at the date of this announcement, the executive Directors are Mr. Li Pui Leung, Mr. Yung Kin Cheung Michael, Mr. Lee Leung Yiu and Mr. Cheung Fong Wa; and the independent non-executive Directors are Dr. Chung Chi Ping Roy, Mr. Ho Kenneth Kai Chung and Mr. Tsang Wah Kwong.