*Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the prospectus (the "**Prospectus**") of KVB Kunlun Financial Group Limited (the "**Company**") dated 11 June 2013.*

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This announcement is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. Potential investors shall read the Prospectus for detailed information about the Placing described below before deciding whether or not to invest in the Placing Shares thereby being offered.

KVB Kunlun

KVB KUNLUN FINANCIAL GROUP LIMITED
昆侖國際金融集團有限公司

(Incorporated in the Cayman Islands with limited liability)

LISTING ON THE GROWTH ENTERPRISE MARKET OF THE STOCK EXCHANGE OF HONG KONG LIMITED BY WAY OF PLACING

Number of Placing Shares	**:**	**343,345,000 Shares**
Placing Price	**:**	**HK$0.452 per Placing Share, payable in full upon application, plus brokerage of 1%, Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.003%**
Nominal value	**:**	**HK$0.01 per Share**
Stock code	**:**	**8077**

SPONSOR

Quam CAPITAL 華富嘉洛企業融資

BOOKRUNNER AND JOINT LEAD MANAGER

信達國際融資有限公司 CINDA INTERNATIONAL CAPITAL LIMITED

JOINT LEAD MANAGER

Quam Securities & Futures 華富嘉洛證券期貨

- The Placing Price is HK$0.452 per Placing Share (excluding brokerage of 1%, Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.003%). The net proceeds of the Placing after deducting Placing commission and related expenses are estimated to be approximately HK$125.3 million.

- The 343,345,000 Shares offered by the Company under the Placing were slightly over-subscribed. 343,345,000 Shares have been conditionally allocated to a total of 109 selected individual, professional and institutional investors.

- The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing are independent of and not connected with the Company, any of the Directors, the chief executive of the Company, the Substantial Shareholders, any of the subsidiaries of the Company or their respective associates, or any person or group of persons as listed in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing. A total of 860,000 Placing Shares (representing approximately 0.25% of the total Placing Shares and approximately 0.04% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing) have been allocated to an employee of the Group, Mr. Qiu Bin, who is not a Connected Person and/or a director of the Company and any of its subsidiaries. No placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Placing.

- Immediately after completion of the Capitalisation Issue and the Placing, the Directors confirm that the public float of the Company will be 25% of the issued share capital of the Company. No more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders at the time of the Listing.

- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Wednesday, 3 July 2013.

- **Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Shareholders and potential investors are advised to exercise caution when dealings in the Shares.**

PLACING PRICE AND USE OF PROCEEDS

The Placing Price is HK$0.452 per Placing Share (excluding brokerage of 1%, Stock Exchange trading fee of 0.005% and SFC transaction levy of 0.003%). The net proceeds of the Placing after deducting Placing commission and related expenses are estimated to be approximately HK$125.3 million. The net proceeds of the Placing will be applied for such purpose as set forth in the section headed "Business Objectives and Future Plans" in the Prospectus. The Directors presently intend that the net proceeds will be applied as follows:

	From the Latest Practicable Date to 31 December 2013	**For the six months ending**				
		30 June 2014	**31 December 2014**	**30 June 2015**	**31 December 2015**	**Total**
	(HK$)	*(HK$)*	*(HK$)*	*(HK$)*	*(HK$)*	*(HK$)*
Expansion of operations in the worldwide overseas Chinese and Japanese communities	1,500,000	8,000,000	9,000,000	9,500,000	8,000,000	36,000,000
Increase in the range of the Group's financial services and products	5,000,000	Nil	20,000,000	Nil	10,000,000	35,000,000
Further upgrade of the Group's online trading platform	5,000,000	8,000,000	5,000,000	5,000,000	5,000,000	28,000,000
Strategic growth through mergers and acquisitions	1,000,000	6,000,000	3,000,000	8,000,000	3,000,000	21,000,000
Total net proceeds	**12,500,000**	**22,000,000**	**37,000,000**	**22,500,000**	**26,000,000**	**120,000,000**

The Directors plan to use the remaining net proceeds of approximately HK$5.3 million for general working capital purpose.

LEVEL OF INDICATIONS OF INTERESTS UNDER THE PLACING

The 343,345,000 Shares offered by the Company under the Placing were slightly over-subscribed.

RESULT OF ALLOCATION

Pursuant to the Placing, 343,345,000 Shares have been conditionally allocated to a total of 109 selected individual, professional and institutional investors. The distribution of the Placing Shares is set forth below:–

	Aggregate number of Placing Shares allocated	Aggregate percentage of the total number of Placing Shares allocated	Approximate percentage of shareholding over the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing
Top placee	60,000,000	17.5%	3.0%
Top 5 placees	214,000,000	62.3%	10.7%
Top 10 placees	327,175,000	95.3%	16.4%
Top 25 placees	340,145,000	99.1%	17.0%

Number of Placing Shares allocated	Number of placees
5,000 to 100,000	71
100,001 to 500,000	22
500,001 to 1,000,000	2
1,000,001 to 10,000,000	4
10,000,001 and above	10
Total	109

The Directors confirm that, to the best of their knowledge and belief, all placees under the Placing are independent of and not connected with the Company, any of the Directors, the chief executive of the Company, the Substantial Shareholders, any of the subsidiaries of the Company or their respective associates, or any person or group of persons as listed in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing. A total of 860,000 Placing Shares (representing approximately 0.25% of the total Placing Shares and approximately 0.04% of the enlarged issued share capital of the Company immediately after completion of the Capitalisation Issue and the Placing) have been allocated to an employee of the Group, Mr. Qiu Bin, who is not a Connected Person and/or a director of the Company and any of its subsidiaries. No placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company immediately after the Placing.

Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of not less than 25% of its total issued share capital at the time when the Shares commence dealings on GEM and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50% of the Shares in public hands at the time of the Listing shall be owned by the three largest public Shareholders. Immediately after completion of the Capitalisation Issue and the Placing, the Directors confirm that the public float of the Company will be 25% of the issued share capital of the Company and no more than 50% of the Shares in public hands at the time of the Listing will be owned by the three largest public Shareholders at the time of the Listing.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM and the compliance by the Company with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or such other date as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

No receipt will be issued for application monies paid. The Company will not issue any temporary documents of title.

Investors should note that the obligations of the Placing Agents under the Placing Agreement to procure placees for the subscription to the Placing Shares are subject to termination by the Sponsor or the Bookrunner (for itself and on behalf of the other Placing Agents) upon the occurrence of any of the events set forth in the paragraph headed "Grounds for termination" in the section headed "Structure of the Placing" in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date. In the event that the Placing Agreement is terminated, an announcement will be published by the Company on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.kvblistco.com accordingly.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. (Hong Kong time) on Wednesday, 3 July 2013. If there is any change to the expected timetable, an announcement will be published immediately by the Company on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.kvblistco.com. The Shares will be traded in board lot of 5,000 Shares each. The GEM stock code for the Shares is 8077.

By order of the Board
KVB Kunlun Financial Group Limited
Liu Stefan
Executive Director

Hong Kong, 2 July 2013

As at the date of this announcement, the executive Directors are Mr. Liu Stefan and Mr. Ng Chee Hung Frederick; the non-executive Directors are Mr. Li Zhi Da and Mr. Stephen Gregory McCoy; and the independent non-executive Directors are Ms. Zhao Guixin, Mr. Cornelis Jacobus Keyser and Mr. Lin Wenhui.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will be published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.kvblistco.com.