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KWAN ON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1559)

RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY FOUR (4) SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Reference is made to the Company's prospectus dated 26 August 2022 (the "**Prospectus**") in relation to the Rights Issue on the basis of one (1) Rights Share for every four (4) Shares held on the Record Date on a non-underwritten basis. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE

All conditions of the Rights Issue set out in the Prospectus were fulfilled and the Rights Issue became unconditional on 26 August 2022.

The Board is pleased to announce that as at 4:00 p.m. on Friday, 9 September 2022, being the latest time for acceptance of and payment for the Rights Shares and for application and payment for the excess Rights Shares:

- (i) 39 valid acceptances of provisional allotments under the PALs were received for a total of 215,482,462 Rights Shares, representing approximately 54.41% of the maximum number of 396,000,000 Rights Shares being offered under the Rights Issue; and
- (ii) two valid applications for excess Rights Shares under the EAFs were received for a total of 69,677,500 Rights Shares, representing approximately 17.60% of the maximum number of 396,000,000 Rights Shares being offered under the Rights Issue.

In aggregate, 41 valid acceptances and applications in respect of a total of 285,159,962 Rights Shares have been accepted and applied for, representing approximately 72.01% of the maximum number of 396,000,000 Rights Shares being offered under the Rights Issue.

Pursuant to the Irrevocable Undertaking, Sino Coronet has accepted and subscribed for 207,891,250 Rights Shares provisionally allotted to it under its PAL. No valid applications for excess Rights Shares under the EAFs were received from Sino Coronet as at 4:00 p.m. on Friday, 9 September 2022.

Based on the above results, the Rights Issue was under-subscribed by 110,840,038 Rights Shares, representing approximately 27.99% of the maximum number of 396,000,000 Rights Shares being offered under the Rights Issue.

The gross proceeds raised from the Rights Issue are approximately HK\$42.77 million and the net proceeds from the Rights Issue after expenses are approximately HK\$41.27 million. The Company intends to apply the net proceeds in the manner disclosed in the section headed “Letter from the Board – REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS” in the Prospectus.

EXCESS APPLICATION

Given the valid acceptance of provisional allotments under the PALs mentioned above, 180,517,538 Rights Shares, representing approximately 45.59% of the total number of Rights Shares, were available for excess application under the EAFs. As the number of Rights Shares available for excess application was sufficient to satisfy all valid applications for excess Rights Shares under the EAFs, the Board considers that it is fair and equitable to accept all valid excess applications for a total of 69,677,500 Rights Shares under the EAFs and to allot and issue such number of Rights Shares to the relevant applicants in full.

Therefore, no refund cheques for wholly and partially unsuccessful applications for excess Rights Shares will be posted.

SHAREHOLDING STRUCTURE OF THE COMPANY

Based on the information available to the Company and to the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, as at the date of this announcement, the shareholding structure of the Company immediately before and after the completion of the Rights Issue is set out below:

Shareholders	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>No. of Shares</i>	<i>% (approx.)</i>	<i>No. of Shares</i>	<i>% (approx.)</i>
Sino Coronet	831,565,000	52.50	1,039,456,250	55.61
Public Shareholders	752,435,000	47.50	829,703,712	44.39
Total	<u>1,584,000,000</u>	<u>100.00</u>	<u>1,869,159,962</u>	<u>100.00</u>

DESPATCH OF SHARE CERTIFICATES FOR RIGHTS SHARES

It is expected that share certificates for all fully-paid Rights Shares will be despatched to those entitled thereto by ordinary post to their respective registered address at their own risk on Tuesday, 20 September 2022.

COMMENCEMENT OF DEALINGS OF RIGHTS SHARES IN FULLY-PAID FORM

Dealings in fully-paid Rights Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, 21 September 2022.

By Order of the Board
Kwan On Holdings Limited
Chen Zhenghua
Chairman

Hong Kong, 19 September 2022

As at the date of this announcement, the Executive Directors are Mr. Chen Zhenghua, Mr. Zhang Fangbing, and Mr. Cao Lei; and the Independent Non-Executive Directors are Professor Lam Sing Kwong, Simon, Mr. Lum Pak Sum and Mr. Gong Zhenzhi.