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Classified Group (Holdings) Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8232)

RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY TWO (2) SHARES HELD ON RECORD DATE

References are made to the prospectus (the “**Prospectus**”) of Classified Group (Holdings) Limited (the “**Company**”) dated 19 September 2023 in relation to the Rights Issue on the basis of three (3) Rights Shares for every two (2) Shares held on the Record Date and the announcement (the “**Announcement**”) of the Company dated 9 October 2023 in relation to the applications for the Rights Shares and number of Unsubscribed Rights Shares subject to the Compensatory Arrangements. Unless the context otherwise requires, capitalised terms used in this announcement shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE, THE COMPENSATORY ARRANGEMENTS AND THE UNDERWRITING AGREEMENT

The Board is pleased to announce that as all the conditions with respect to the Rights Issue, the Placing Agreement and the Underwriting Agreement had been fulfilled and the Placing Agreement and the Underwriting Agreement were not terminated by the Placing Agent and the Underwriters respectively, the Rights Issue became unconditional at 4:00 p.m. on Friday, 13 October 2023.

As disclosed in the Announcement, as at 4:00 p.m. on Wednesday, 4 October 2023, being the Latest Time for Acceptance, a total of eight valid applications had been received for a total of 10,502,375 Rights Shares, representing approximately 31.4% of the total number of Rights Shares offered under the Rights Issue. Pursuant to the Irrevocable Undertakings, Wiltshire Global and Peyton Global have respectively subscribed for 3,100,500 Rights Shares and 5,100,000 Rights Shares provisionally allotted to them respectively. The remaining 22,947,625 Unsubscribed Rights Shares, representing approximately 68.6% of the total number of Rights Shares offered under the Rights Issue, were subject to the Compensatory Arrangements.

As at 4:00 p.m. on Thursday, 12 October 2023, being the latest time of placing of the Unsubscribed Rights Shares by the Placing Agent, no Unsubscribed Rights Shares had been successfully placed. Therefore, there is no Net Gain available to be distributed to the No Action Shareholders under the Compensatory Arrangements.

As a result of the under-subscription of the Rights Shares and the Placing, Wiltshire Global and Peyton Global had performed their underwriting obligations to subscribe for 8,676,192 and 14,271,433 Rights Shares, pursuant to the terms of the Underwriting Agreement, representing approximately 68.6% of the total number of Rights Shares available for subscription under the Rights Issue. Based on the 8,676,192 and 14,271,433 Rights Shares underwritten by Wiltshire Global and Peyton Global respectively, together with the 3,100,500 and 5,100,000 Rights Shares provisionally allotted to Wiltshire Global and Peyton Global under their entitlement and subscribed by them respectively pursuant to the Irrevocable Undertakings, the aggregate number of Shares which will be held by the Underwriters (which are parties acting in concert) and parties acting in concert with any of them represent approximately 65.7% of the enlarged issued share capital of the Company upon completion of the Rights Issue.

The gross proceeds from the Rights Issue (before expenses) were approximately HK\$14.25 million and the net proceeds from the Rights Issue (after deducting the estimated expenses) were approximately HK\$12.75 million. As disclosed in the Prospectus, the Company intends to apply the net proceeds from the Rights Issue as to (i) approximately 40% (being approximately HK\$5.10 million) for repayment of the outstanding Shareholders' Loans; (ii) approximately 60% (being approximately HK\$7.65 million) as general working capital of the Group, of which (a) approximately 19% (being approximately HK\$2.4225 million) for payment for purchase of raw materials from suppliers for enhancing signature dishes in order to promote the brand name of restaurants; (b) approximately 30% (being approximately HK\$3.825 million) for payment of future payroll and/or training of existing and additional staff; and (c) approximately 11% (being approximately HK\$1.4025 million) for enhancement and upgrade of restaurant facilities.

EFFECT OF THE RIGHTS ISSUE ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company immediately before and after completion of the Rights Issue:

| | 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> |
| Wiltshire Global and its concert parties (<i>Note 1</i>) | 2,067,000 | 9.27 | 13,843,692 | 24.83 |
| Peyton Global and its concert parties (<i>Note 2</i>) | 3,400,000 | 15.25 | 22,771,433 | 40.85 |
| Subtotal of the Underwriters and parties acting in concert with any of them | 5,467,000 | 24.52 | 36,615,125 | 65.68 |
| VMS Investment Group Limited (“VMS”) (<i>Note 3</i>) | 3,400,000 | 15.25 | 3,400,000 | 6.10 |
| Millennium Pacific Information Technology Limited (“Millennium”) (<i>Note 4</i>) | 2,666,000 | 11.96 | 2,666,000 | 4.78 |
| Other public Shareholders | 10,767,000 | 48.28 | 13,068,875 | 23.44 |
| Total | 22,300,000 | 100.00 | 55,750,000 | 100.00 |

Notes:

1. Wiltshire Global is wholly owned by Mr. Wong, the chairman of the Board and an executive Director, and is acting in concert with Peyton Global.
2. Peyton Global is wholly owned by Mr. Pong, an executive Director, and is acting in concert with Wiltshire Global.
3. VMS is wholly-owned by Ms. Mak Siu Hang, Viola.
4. Millennium is indirectly wholly-owned by Mr. Yeung Shing Wai.
5. The percentage figures have been subject to rounding adjustments. Any discrepancies between totals and sums of amounts listed herein are due to rounding adjustments.

DESPATCH OF SHARE CERTIFICATES

The share certificates for the fully-paid Rights Shares are expected to be posted on Tuesday, 24 October 2023 to those entitled thereto by ordinary post, at their own risks, to their registered addresses.

COMMENCEMENT OF DEALINGS IN THE RIGHTS SHARES

Dealings in the fully-paid Rights Shares on the Stock Exchange are expected to commence at 9:00 a.m. on Wednesday, 25 October 2023.

By order of the Board
Classified Group (Holdings) Limited
WONG Arnold Chi Chiu
Chairman and Executive Director

Hong Kong, 20 October 2023

As at the date of this announcement, the executive Directors are Mr. WONG Arnold Chi Chiu, Mr. PONG Kin Yee and Mr. LI Kai Leung and the independent non-executive Directors are Dr. CHAN Kin Keung Eugene, Mr. NG Chun Fai Frank and Mr. YUE Man Yiu Matthew.

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 enquiries, 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.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.

This announcement will remain on the “Latest Listed Company Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the day of its posting. This announcement will also be published on the Company’s website at www.classifiedgroup.com.hk.