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K. H. GROUP HOLDINGS LIMITED
劍虹集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1557)

COMPLETION OF PLACING OF NEW SHARES
UNDER GENERAL MANDATE

Placing Agent



首盛資本集團
Alpha Financial Group

Reference is made to the announcements of K. H. Group Holdings Limited (the “**Company**”) dated 30 November 2023 and 1 December 2023 in relation to the placing of new shares under general mandate (the “**Announcements**”). Unless the context requires otherwise, terms defined in the Announcements shall have the same meaning when used in this announcement.

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all the conditions precedent have been fulfilled and Completion took place on 13 December 2023. A total of 80,000,000 Placing Shares have been successfully placed to six Placees at the Placing Price of HK\$0.375 per Placing Share. The Placing Shares represent (i) approximately 20% of the issued share capital of the Company immediately before Completion; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares immediately upon Completion.

To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, (i) the Placees, together with their respective ultimate beneficial owners (if any), are third parties independent of and not connected with or are not acting in concert with the Company as well as its connected persons; (ii) none of the Placees became a substantial Shareholder immediately upon Completion.

USE OF PROCEEDS

Based on the number of the Placing Shares actually placed, the gross proceeds from the Placing are HK\$30 million and the net proceeds, after deduction of all relevant expenses (including but not limited to placing commission, legal expenses and disbursements) incidental to the Placing, are approximately HK\$29.6 million. The Company plans to use the net proceeds of approximately HK\$9.6 million of the Placing (representing approximately 32.4% of the net proceeds) for business development opportunities and approximately HK\$20.0 million (representing approximately 67.6% of the net proceeds) of the Placing as general working capital. In relation to the HK\$9.6 million net proceeds allocated for business development opportunities, the Company intends to use it to develop and extend its construction business, which fall within the principal and ordinary course of business of the Group.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below are the shareholding structures of the Company (i) immediately before Completion; and (ii) immediately after Completion respectively:

	Shareholding before Completion		Shareholding after Completion	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
Blessing Well Enterprise Limited (“ Blessing Well ”) (Note 1)	300,000,000	75%	300,000,000	62.5%
Public Shareholders				
The Places	—	—	80,000,000	16.7%
Other public Shareholders	100,000,000	25%	100,000,000	20.8%
Total (Note 2)	<u>400,000,000</u>	<u>100.00%</u>	<u>480,000,000</u>	<u>100.00%</u>

Notes:

1. *Blessing Well is wholly-owned by Sendlink Limited, which is in turn wholly-owned by Mr. Chen Rongsheng.*
2. *Certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.*

By order of the Board
K. H. Group Holdings Limited
Huang Yuan
Chairman and Executive Director

Hong Kong, 13 December 2023

As at the date of this announcement, the Board comprises three Executive Directors, namely, Dr. Huang Yuan (Chairman), Mr. Bu Youjun and Mr. Yang Xuefeng and three Independent Non-executive Directors, namely, Mr. Liu Xin, Mr. Feng Zhidong and Mr. Wang Bo.