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K GROUP HOLDINGS LIMITED

千盛集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8475)

ISSUE OF CONSIDERATION SHARES UNDER GENERAL MANDATE TO SETTLEMENT OF CONSIDERATION FOR THE ACQUISITION OF 51% ISSUED SHARE CAPITAL OF THE TARGET COMPANY

Reference is made to the announcement of K Group Holdings Limited (the “**Company**”) dated 18 January 2024 in relation to the Acquisition (the “**Announcement**”).

As disclosed in the Announcement, the Purchaser shall have the right in its absolute discretion to elect to pay the Consideration any time within 12 months from the Completion Date by way of cash or by way of new Shares on the basis of the closing price of the Company’s Shares on the last trading day prior to the settlement date.

The Consideration

On 12 March 2024, the Purchaser has decided to and the Vendor has agreed to satisfy the Consideration by the allotment and issue of 1,582,280 Consideration Shares to the Vendor (or its nominee(s)) under the General Mandate at the issue price of HK\$0.632 per Consideration Share upon Completion.

Issue of Consideration Shares

The 1,582,280 Consideration Shares represent:

- (i) approximately 2.79% of the number of issued Shares as at the date of this announcement; and
- (ii) approximately 2.71% of the number of issued Shares as enlarged by the allotment and issue of the Consideration Shares (assuming there will be no change in the share capital of the Company prior to the Completion other than the issue of the Consideration Shares by the Company).

The Consideration Shares will be allotted and issued pursuant to the General Mandate. Under the General Mandate, the Directors are allowed to allot and issue up to 20% of the total number of the issued Shares. The maximum number of Shares that can be issued under the General Mandate is 11,360,000 Shares. As at the date of this announcement, no shares have been allotted and issued under the General Mandate. The General Mandate is sufficient for the allotment and issue of all the Consideration Shares. As such, the Acquisition and Allotment is not subject to any Shareholders' approval. The General Mandate will be utilised as to 13.93% upon the allotment and issue of all the Consideration Shares.

An application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. The Consideration Shares will rank pari passu in all respects with each other and with the Shares in issue at the time of the Consideration Shares.

Issue Price

The issue price of HK\$0.632 per Consideration Share was determined after arm's length negotiation between the Purchaser and the Vendor with reference to, among other things, the recent trading prices of the Shares, which represents:

- (i) a discount of approximately 16.84% to the closing price of HK\$0.76 per Share as quoted on the Stock Exchange on the date of this announcement;
- (ii) a discount of approximately 18.97% to the average closing price of HK\$0.78 per Share as quoted on the Stock Exchange for the five consecutive trading days of the Shares immediately prior to the date of this announcement; and
- (iii) a discount of approximately 19.70% to the average closing price of HK\$0.787 per Share as quoted on the Stock Exchange for the ten consecutive trading days of the Shares immediately prior to the date of this announcement.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The existing shareholding structure of the Company and the effect on the shareholding structure of the Company upon Completion (assuming that there are no other changes in the issued share capital of the Company prior to the Completion) are set out as follows:

	As at the date of this announcement		Immediately upon Completion	
	Number of Shares	Approx.% of shareholding	Number of Shares	Approx.% of shareholding
Team One Global Limited (<i>Note 1</i>)	8,800,000	15.49%	8,800,000	15.07%
Fast Glory Group Limited	3,168,500	5.58%	3,168,500	5.43%
Canola Investment Holdings Limited (<i>Note 2,3,4</i>)	3,049,900	5.37%	3,049,900	5.22%
Mr. Li Junjian	4,400,000	7.75%	4,400,000	7.54%
Ms. Wong Pui Kei Peggy	528,000	0.93%	528,000	0.90%
Public Shareholders				
The Vendor or its nominee(s)	0	0.00%	1,582,280	2.71%
Other public Shareholders	36,853,600	64.88%	36,853,600	63.13%
Total	56,800,000	100.00%	58,382,200	100.00%

Notes:

1. Team One Global Limited is wholly owned by STAR HAPPY INTERNATIONAL LIMITED, which in turn is legally and beneficially wholly owned by Mr. Leung Ho Ka. Therefore STAR HAPPY INTERNATIONAL LIMITED and Mr. Leung Ho Ka is deemed to be interested in the Shares in which Team One Global Limited is interested under the SFO.
2. These Shares were held by Canola Investment Holdings Limited (“**Canola**”) which was in turn owned as to approximately 33.69% by Mr. Lai Weijie, Terence (“**Mr. Terence Lai**”), 23.17% by Mr. Yeap Wei Han, Melvyn (“**Mr. Yeap**”), 16.85% by Mr. Ho Zhi Yi, Levi (“**Mr. Ho**”), 12.64% by Mr. Tan Chien Fong (“**Mr. Tan**”), 12.64% by Mr. Ng Yook Tim (“**Mr. Ng**”) and 1.01% by Mr. Lai Weikang, Derek (“**Mr. Derek Lai**”). On 10 February 2018, Mr. Terence Lai, Mr. Yeap, Mr. Ho, Mr. Tan, Mr. Ng and Mr. Derek Lai entered into an acting-in-concert confirmation, pursuant to which they had confirmed that they had been parties acting in concert in the operation and management of the Group since 1 October 2015. Accordingly, each person under the concert party arrangement is taken to be interested in the Shares the other party(ies) under such concert party arrangement is/are interested under the SFO. Under the SFO, each of Mr. Terence Lai, Mr. Yeap, Mr. Ho, Mr. Tan, Mr. Ng and Mr. Derek Lai is deemed to be interested in 3,049,900 Shares held by Canola.
3. Ms. Ong Hui Hui (“**Ms. Ong**”) is the spouse of Mr. Ho and she is deemed to be interested in all the Shares which are beneficially owned and deemed to be held by Mr. Ho under the SFO.

4. Ms. Teo Yan Qi Sharon (“**Ms. Teo**”) is the spouse of Mr. Tan and she is deemed to be interested in the Shares which are beneficially owned and deemed to be held by Mr. Tan under the SFO.
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.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings when used herein:

“Acquisition”	the acquisition of the Sale Shares by the Purchaser from the Vendor pursuant to the Sale and Purchase Agreement
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hour
“Company” or the “Purchaser”	K Group Holdings Limited (stock code: 8475), a company incorporated in the Cayman Islands with limited liability whose shares are listed on GEM of the Stock Exchange
“Completion”	Completion of the Acquisition
“Completion Date”	the fifth Business Day after the date of the Sale and Purchase Agreement or such other date as the parties may agree in writing and on which Completion shall take place
“Connected Persons”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	HK\$1 million, being the total consideration for the Acquisition
“Consideration Share(s)”	1,582,280 Consideration Shares to be allotted and issued to the Vendor (or its nominee(s)) at the Issue Price for the Acquisition pursuant to the terms and conditions of the Sale and Purchase Agreement
“Director(s)”	the director(s) of the Company
“GEM”	the GEM of the Stock Exchange

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“General Mandate”	the general mandate granted to the Directors by the Shareholders at the annual general meeting (the “AGM”) of the Company on 29 February 2024 to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons (having the meaning ascribed to it under the GEM Listing Rules)
“Issue Price”	the issue price of HK\$0.632 per each Consideration Share
“Listing Committee”	The Listing Committee of the Stock Exchange
“Sale and Purchase Agreement”	the sale and purchase agreement dated 18 January 2024 entered into between the Purchaser and the Vendor in relation to the Acquisition
“Sale Share(s)”	765,000 existing Target Company Shares held by Law Wai Leung being 51% of the issued share capital of the Target Company
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Company’s Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules

“Target Company”	PDR’s Dining Limited, a company incorporated in Hong Kong with limited liability
“Target Company Shares”	ordinary shares of HK\$1.00 each in the share capital of the Target Company
“Vendor”	Law Wai Leung who held 73.3% of the issued share capital in the Target Company prior to the Acquisition
“%”	Per cent.

For and on behalf of
K Group Holdings Limited
Li Junjian
Chairman and Executive Director

Hong Kong, 12 March 2024

As at the date of this announcement, the executive Directors are Mr. Li Junjian (Chairman), Mr. Chiang Ming Chun, Ms. Wong Pui Kei Peggy and Mr. Yeap Wei Han, Melvyn; the non-executive Director is Mr. Su Shiyi; and the independent non-executive Directors are Mr. Chau Wing Nam, Mr. Lee Ming Yeung, Michael and Mr. Lei Xiongpeng.

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.

This announcement will remain on the Latest Listed Company Information page of the Stock Exchange at www.hkexnews.hk for a minimum period of seven days from the date of its publication and on the Company’s website at www.kgroup.com.hk.