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Kiu Hung International Holdings Limited

僑雄國際控股有限公司

(Incorporated in the Cayman Islands with limited liability and continued in Bermuda with limited liability)

(Stock Code: 00381)

(1) RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS; AND (2) NO ADJUSTMENTS TO THE CONVERTIBLE BONDS

References are made to the prospectus (the “**Prospectus**”) of Kiu Hung International Holdings Limited (the “**Company**”) dated 8 July 2022 and the announcement of the Company dated 29 July 2022 (the “**Announcement**”), in relation to, among other things, the Rights Issue and the Placing. Unless otherwise defined herein, capitalised terms used herein shall have the same meanings as those defined in the Prospectus.

RESULTS OF THE RIGHTS ISSUE AND THE PLACING

As disclosed in the Announcement, as at 4:00 p.m. on Friday, 22 July 2022, being the Latest Time for Acceptance, a total of 8 valid acceptances and applications had been received for a total of 15,898,476 Rights Shares, representing approximately 2.30% of the total number of Rights Shares offered under the Rights Issue. As at the Record Date, there was no Non-Qualifying Shareholders and the number of the NQS Unsold Shares is nil. Based on the above results of valid acceptances and applications, the total number of Untaken Shares subject to the compensatory arrangements shall be 675,217,317 Rights Shares. The Company has, pursuant to Rule 7.21(1)(b) of the Listing Rules, made compensatory arrangements by entering into the placing agreement dated 29 July 2022 (the “**Placing Agreement**”) with CNI Securities Group Limited (the “**Placing Agent**”), pursuant to which the Company conditionally appointed the Placing Agent and the Placing Agent conditionally agreed to act as the placing agent for the Company to procure, on a best effort basis, placees to subscribe for the Untaken Shares in accordance with the terms of the Placing Agreement.

The Board wishes to announce that, as at 6:00 p.m. on Monday, 8 August 2022, being the Placing End Date, all the 675,217,317 Untaken Shares were successfully placed at the price of HK\$0.205 per Share, which is equal to the Subscription Price, under the Placing. Therefore, there is no Net Gain available for distribution to the No Action Shareholders under the Placing.

Based on the results of acceptance of the Rights Issue and the results of the Placing, the Rights Shares to be allotted and issued amounted to 691,115,793 Rights Shares, representing 100% of the total number of Rights Shares offered for subscription under the Rights Issue.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, (i) each of the placees and where appropriate, their respective ultimate beneficial owner(s), is independent of and not connected with the Company and its connected persons and not a connected person of the Company; and (ii) none of the placees has become a substantial shareholder of the Company (as defined under the Listing Rules) upon completion of the Placing.

As all the conditions with respect to the Rights Issue and the Placing as set out in the Prospectus have been fulfilled, the Rights Issue and the Placing became unconditional at 4:00 p.m. on Tuesday, 9 August 2022.

Accordingly, the gross proceeds raised from the Rights Issue were approximately HK\$141.68 million and the net proceeds (after deducting all relevant expenses) from the Rights Issue were approximately HK\$139.81 million. As disclosed in the Prospectus, the Company intends to apply the entire net proceeds from the Rights Issue for repayment of the Group's short-term liabilities.

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

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, set out below is the shareholding structure of the Company immediately before and after the completion of the Rights Issue:

Shareholder	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	<i>Number of Shares</i>	<i>Approximate (%)</i>	<i>Number of Shares</i>	<i>Approximate (%)</i>
Mr. Zhang Qijun (<i>Note 1</i>)	6,700	0.003	6,700	Negligible (<i>Note 4</i>)
Mr. Liu Mingqing (<i>Note 2</i>)	1,120,000	0.486	1,120,000	0.122
Mr. Cheng Ho On (<i>Note 3</i>)	1,700	0.001	1,700	Negligible (<i>Note 4</i>)
Placees	—	—	675,217,317	73.275
Other public Shareholders	<u>229,243,531</u>	<u>99.510</u>	<u>245,142,007</u>	<u>26.603</u>
TOTAL	<u><u>230,371,931</u></u>	<u><u>100.000</u></u>	<u><u>921,487,724</u></u>	<u><u>100.000</u></u>

Notes:

1. Being an executive Director and the chairman of the Company.
2. Being an executive Director.
3. Being an independent non-executive Director immediately before completion of the Rights Issue. Mr. Cheng Ho On resigned as an independent non-executive Director with effect from 12 August 2022.
4. Shareholdings of Mr. Zhang Qijun and Mr. Cheng Ho On will be less than 0.001%.

DESPATCH OF SHARE CERTIFICATES FOR RIGHTS SHARES

Share certificates for the fully-paid Rights Shares are expected to be posted on or before Tuesday, 16 August 2022 to those entitled thereto at their registered addresses by ordinary post at their own risk.

COMMENCEMENT OF DEALINGS IN FULLY-PAID RIGHTS SHARES

Dealings in the Rights Shares, in their fully-paid form, are expected to commence on the Stock Exchange at 9:00 a.m. on Wednesday, 17 August 2022.

NO ADJUSTMENTS TO THE CONVERTIBLE BONDS

As at the date of this announcement, there are outstanding Convertible Bonds which are convertible into 5,100,000 Shares at the conversion price of HK\$10.00 per Share (subject to the adjustment mechanism in accordance with the terms and conditions of the Convertible Bonds).

Pursuant to the terms and conditions of the Convertible Bonds, no adjustments are required to be made to the conversion price and/or the number of Shares that can be issued upon full exercise of the conversion right attached to the Convertible Bonds as a result of the Rights Issue. The conversion price and the number of Shares that can be issued upon full exercise of the conversion right attached to the Convertible Bonds remain the same at HK\$10.00 per Share and 5,100,000 Shares, respectively.

The independent financial adviser to the Company has confirmed that no adjustments are required to be made to the outstanding Convertible Bonds as a result of the Rights Issue.

By order of the Board
Kiu Hung International Holdings Limited
Zhang Qijun
Chairman and Executive Director

Hong Kong, 15 August 2022

As at the date of this announcement, the Board comprises three executive Directors, Mr. Zhang Qijun, Mr. Liu Mingqing and Ms. Lai Yee Man, and three independent non-executive Directors, Mr. Kong Chun Wing, Mr. Wang Xiao Ning and Ms. Chen Yuxin.