

ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

SUMMARY

Offer Price and Net Proceeds from the Share Offer

- The final Offer Price has been determined at HK\$0.5 per Offer Share plus brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%.
- Based on the final Offer Price of HK\$0.5 per Offer Share and 250,000,000 Shares offered by the Company, the net proceeds from the Share Offer, after deducting the underwriting commissions and other expenses in connection with the Share Offer, is estimated to be approximately HK\$95.0 million. The Company intends to apply such net proceeds in accordance with the purposes set out in the section headed “Future plans and use of proceeds” in the Prospectus.

Applications under the Public Offer

- The Public Offer Shares initially offered under the Public Offer have been moderately over-subscribed. A total of 8,590 valid applications were received pursuant to the Public Offer on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS, for a total of 334,104,000 Public Offer Shares, representing approximately 13.36 times of the total number of 25,000,000 Public Offer Shares initially available for subscription under the Public Offer (before any exercise of the Over-allotment Option).
- As the over-subscription in the Public Offer is less than 15 times of the number of Offer Shares initially available under the Public Offer, the reallocation of the Offer Shares as described in the section headed “Structure and Conditions of the Share Offer – Basis of Allocation of the Offer Shares” in the Prospectus has not been applied and no Placing Share has been reallocated from the Placing to the Public Offer. The final number of Offer Shares allocated to the Public Offer is 25,000,000 Offer Shares, representing 10% of the total number of Offer Shares available under the Share Offer.

Placing

- The Placing Shares initially offered under the Placing have been slightly over-subscribed. The final number of Placing Shares allocated to 169 placees under the Placing is 225,000,000 Shares, representing 90% of the total number of the Offer Shares available under the Share Offer (before any exercise of the Over-allotment Option). A total number of 52 placees have been allotted two board lots or less of the Placing Shares, representing approximately 30.8% of the total number of 169 placees under the Placing (before any exercise of the Over-allotment Option). These placees have been allotted approximately 0.3% of the Offer Shares under the Placing.

Cornerstone Investor

- Pursuant to the Cornerstone Investment Agreement with the Cornerstone Investor, Mr. Cheng Chi Heng has subscribed for 40,000,000 Shares, representing (a) approximately 4.0% of the Company's total issued share capital following the completion of the Share Offer and (b) approximately 16.0% of the total number of Offer Shares under the Share Offer. Please refer to the section headed "Cornerstone Investor" in the Prospectus for further details relating to the Cornerstone Investor.
- The Cornerstone Investor is independent of the Company, connected persons of the Company and their respective associates, within the meaning of the Listing Rules. The Cornerstone Investor will acquire the Offer Shares pursuant to, and as part of, the Placing. The Offer Shares to be subscribed for by the Cornerstone Investor will rank *pari passu* in all aspects with the other fully-paid Shares in issue upon completion of the Share Offer and will be counted towards the public float of the Company. The Cornerstone Investor will not have any representation on the Board or become a substantial shareholder (as defined in the Listing Rules) of the Company upon completion of the Share Offer and will not subscribe for any Offer Shares under the Share Offer other than pursuant to the Cornerstone Investment Agreement.
- The Cornerstone Investor has also agreed that, without the prior written consent of the Company, the Sole Sponsor, the Joint Bookrunners and/or the Joint Lead Managers, he will not, whether directly or indirectly, at any time during the period of six months following the Listing Date (the "**Lock-up Period**"), dispose of any of the Offer Shares he has purchased pursuant to the Cornerstone Investment Agreement.

- None of the Sole Sponsor, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or their respective affiliates, companies and connected clients of the lead broker or of any distributors (as defined in Appendix 6 to the Listing Rules) has taken up any Offer Shares for its own benefit under the Share Offer. The Directors confirm that, to the best of their knowledge, information and belief having made all reasonable enquiries, no Placing Shares have been allocated to placees who are Directors, existing Shareholders or beneficial owners of Shares and/or any securities of the Company's subsidiaries and core connected persons of the Company or their respective close associates within the meaning of the Listing Rules, whether in their own names or through nominees. The Directors further confirm that the Placing has been conducted in compliance with the placing guidelines for equity securities as set out in Appendix 6 to the Listing Rules (the "**Placing Guidelines**") and no Placing Shares placed by or through the Joint Bookrunners and the Underwriters under the Share Offer have been placed with any core connected person (as such term is defined in the Listing Rules) of the Company or persons set out in paragraph 5 of the Placing Guidelines, whether in their own names or through nominees. The Directors confirm that none of the Offer Shares subscribed by the placees and the public has been financed directly or indirectly by any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders, or existing Shareholders of the Company or any of its subsidiaries or their respective close associates, and none of the placees and the public who has subscribed the Offer Shares is accustomed to taking instructions from any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it. No placee will, individually, be placed with more than 10% of the enlarged issued share capital of the Company immediately after the Share Offer. None of the placees under the Placing will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Share Offer and the number of Shares to be held by the public will satisfy the minimum percentage prescribed by Rule 8.08 of the Listing Rules. The Directors confirm that the three largest public shareholders of the Company do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules. The Directors also confirm that there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.
- Immediately following the completion of the Share Offer, not less than 25% of the total issued share capital of the Company will be held by the public which will satisfy the minimum percentage prescribed under Rule 8.08(1)(a) of the Listing Rules.

Over-allotment Option

In connection with the Share Offer, the Company has granted the Over-allotment Option to the Joint Bookrunners which is exercisable in full or in part by the Joint Bookrunners (on behalf of the Placing Underwriters), at any time from the Listing Date until the 30th day after the last day for lodging of applications under the Public Offer, being Thursday, 25 July 2019, to require the Company to allot and issue up to 37,500,000 additional Shares, representing 15% of the number of Offer Shares initially available under the Share offer, at the Offer Price to cover, among other things, over-allocation in the Placing, and/or the obligations of the Stabilising Manager to return securities borrowed under the Stock Borrowing Agreement. As at the date of this announcement, the Joint Bookrunners confirm that there has been no over-allocations in the Placing and the Over-allotment Option has not been and will not be exercised.

Results of Allocations

- In relation to the Public Offer, the Company announces that the results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers (where appropriate) of successful applicants under the Public Offer will be available at the dates and times and in the manner specified below:
- in the announcement to be posted on the Company's website at **khoongroup.com** and the Stock Exchange's website at **www.hkexnews.hk** by no later than Thursday, 4 July 2019;
- from the designated results of allocations website at **www.ewhiteform.com.hk/results** with a "search by ID" function on a 24-hour basis from 9:00 a.m. on Thursday, 4 July 2019 to 12:00 midnight on Wednesday, 10 July 2019;
- by telephone enquiry line at (852) 2153 1688 between 9:00 a.m. and 6:00 p.m. from Thursday, 4 July 2019 to Wednesday, 10 July 2019 on a Business Day (excluding Saturday, Sunday and public holiday in Hong Kong); and
- in the special allocation results booklets which will be available for inspection during opening hours from Thursday, 4 July 2019 to Monday, 8 July 2019 at all the receiving bank designated branches.

Despatch/Collection of Share Certificates and Refund Monies

- Applicants who have applied for 1,000,000 Public Offer Shares or more on **WHITE** Application Forms and have provided all information required by their Application Forms and whose applications are wholly or partially successful, may collect their share certificate(s) in person from the Hong Kong Branch Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Thursday, 4 July 2019 or such other date as notified by the Company.

- Share certificates for Public Offer Shares allotted to applicants using **WHITE** Application Forms which have applied for less than 1,000,000 Public Offer Shares or which are available but not collected in person within the time specified for collection, are expected to be despatched to the address specified on the relevant **WHITE** Application Forms by ordinary post at their own risk on or before Thursday, 4 July 2019.
- Wholly or partially successful applicants on **YELLOW** Application Forms will have their share certificate(s) issued in the name of HKSCC Nominees and deposited into CCASS for credit to their CCASS Investor Participants' stock account or the stock accounts as instructed by the applicants in the **YELLOW** Application Forms on Thursday, 4 July 2019 or, upon contingency, on any other date as shall be determined by HKSCC or HKSCC Nominees.
- Share certificates for Public Offer Shares allotted to applicants giving **electronic application instructions** to HKSCC via CCASS will be issued in the name of HKSCC Nominees and deposited into CCASS for credit to their CCASS Investor Participants' stock accounts or their designated CCASS Participant's stock accounts as instructed by them electronically, on Thursday, 4 July 2019, or upon contingency, on any other date as shall be determined by HKSCC or HKSCC Nominees.
- Applicants applying through a designated CCASS Participant (other than a CCASS Investor Participant) using **YELLOW** Application Forms and by giving **electronic application instructions** to HKSCC via CCASS should check the number of Public Offer Shares allocated to them and the amount of refund monies (if any) payable to them (if they applied by giving **electronic application instructions** to HKSCC via CCASS) with that CCASS Participant.
- Applicants on **WHITE** or **YELLOW** Application Forms who have applied for 1,000,000 Public Offer Shares or more and have provided all information required by their **WHITE** or **YELLOW** Application Forms, may collect their refund cheque(s) (where applicable) in person from the Hong Kong Branch Share Registrar, Boardroom Share Registrars (HK) Limited, at 2103B, 21/F, 148 Electric Road, North Point, Hong Kong, between 9:00 a.m. to 1:00 p.m. on Thursday, 4 July 2019 or such other date as notified by the Company.
- Refund cheques for applicants on **WHITE** or **YELLOW** Application Forms who have applied for less than 1,000,000 Public Offer Shares, or which are available but not collected in person within the time specified for collection, are expected to be despatched to the address specified on the relevant **WHITE** or **YELLOW** Application Forms by ordinary post at their own risk on or before Thursday, 4 July 2019.
- For applicants who have applied by giving **electronic application instructions** to HKSCC to apply on their behalf, all refund monies (if any) are expected to be credited to their designated bank accounts (if the applicants have applied as a CCASS Investor Participant) or the designated bank account of their broker or custodian on Thursday, 4 July 2019.

- Share certificates for the Offer Shares will only become valid certificates of title at 8:00 a.m. on Friday, 5 July 2019, provided that (i) the Share Offer has become unconditional in all respects; and (ii) the right of termination as described in the section headed “Underwriting – Underwriting arrangements and expenses – The Public Offer – Grounds for termination” in the Prospectus has not been exercised.
- The Company will not issue any temporary documents of title in respect of the Offer Shares or any receipt for sums paid on application for the Offer Shares.

Commencement of Dealings

- Assuming that the Share Offer becomes unconditional in all respects at or before 8:00 a.m. on Friday, 5 July 2019, it is expected that dealings in the Shares on the Main Board of the Stock Exchange will commence at 9:00 a.m. on Friday, 5 July 2019. The Shares will be traded in board lots of 8,000 Shares each. The stock code of the Shares is 924.

FINAL OFFER PRICE

The final Offer Price has been determined at HK\$0.5 per Offer Share plus brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%.

NET PROCEEDS FROM THE SHARE OFFER

Based on the final Offer Price of HK\$0.5 per Offer Share and 250,000,000 Shares offered by the Company, the net proceeds from the Share Offer, after deducting the underwriting commissions and other expenses in connection with the Share Offer, and assuming no exercise of the Over-allotment Option is estimated to be approximately HK\$95.0 million (equivalent to approximately S\$16.6 million). The Company currently intends to apply such net proceeds as follows:

- approximately HK\$40.6 million (equivalent to approximately S\$7.1 million), representing approximately 42.7% of the net proceeds, for the acquisition of a Singapore-based ACMV contractor which is registered under the workhead of ME01 (air-conditioning, refrigeration and ventilation works) with at least “L4” grade;
- approximately HK\$14.5 million (equivalent to approximately S\$2.5 million), representing approximately 15.3% of the net proceeds, for strengthening our manpower by recruiting additional staff;
- approximately HK\$10.4 million (equivalent to approximately S\$1.8 million), representing approximately 10.9% of the net proceeds, for the acquisition of a property with gross floor area of approximately 6,000 sq.ft.;
- approximately HK\$9.5 million (equivalent to approximately S\$1.7 million), representing approximately 10.0% of the net proceeds, for financing our upfront costs and working capital requirements at the early stage of carrying out our electrical engineering projects;
- approximately HK\$8.0 million (equivalent to approximately S\$1.4 million), representing approximately 8.4% of the net proceeds, for financing the acquisition of additional machinery and equipment;
- approximately HK\$5.1 million (equivalent to approximately S\$0.9 million), representing approximately 5.4% of the net proceeds, for purchasing a building information modeling software together with certain ancillary supporting hardware device and upgrading our enterprise resource planning system;

- approximately HK\$1.6 million (equivalent to approximately S\$0.3 million), representing approximately 1.7% of the net proceeds, for financing the acquisition of three additional lorries; and
- approximately HK\$5.3 million (equivalent to approximately S\$0.9 million), representing approximately 5.6% of the net proceeds, as our general working capital.

Please refer to the section headed “Future plans and use of proceeds” in the Prospectus for more details of the Company’s intended use of the net proceeds from the Share Offer.

APPLICATIONS UNDER THE PUBLIC OFFER

The Public Offer Shares initially offered under the Public Offer have been moderately over-subscribed. A total of 8,590 valid applications were received pursuant to the Public Offer on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS for a total of 334,104,000 Public Offer Shares, representing approximately 13.36 times of the total number of 25,000,000 Public Offer Shares initially available for subscription under the Public Offer (before any exercise of the Over-allotment Option).

Of the 8,590 valid applications on **WHITE** and **YELLOW** Application Forms and by giving electronic application instructions to HKSCC via CCASS for a total of 334,104,000 Public Offer Shares:

- a total of 8,587 valid applications for a total of 301,608,000 Public Offer Shares were for the Public Offer with an aggregate subscription amount based on HK\$0.60 per Share (being the highest end of the original Offer Price range as disclosed in the Prospectus) (excluding brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of HK\$5 million or less, representing approximately 24.12 times of the total number of 12,504,000 Public Offer Shares initially available for allocation in pool A; and
- a total of 3 valid applications for a total of 32,496,000 Public Offer Shares were for the Public Offer with an aggregate subscription amount based on HK\$0.60 per Share (being the highest end of the original Offer Price range as disclosed in the Prospectus) (excluding brokerage of 1%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%) of more than HK\$5 million, representing approximately 2.60 time of the total number of 12,496,000 Public Offer Shares initially available for allocation in pool B.

As the over-subscription in the Public Offer is less than 15 times of the number of Offer Shares initially available under the Public Offer, the reallocation of the Offer Shares as described in the section headed “Structure and Conditions of the Share Offer – Basis of Allocation of the Offer Shares” in the Prospectus has not been applied and no Placing Share has been reallocated from the Placing to the Public Offer. The final number of Offer Shares allocated to the Public Offer is 25,000,000 Offer Shares, representing 10% of the total number of Offer Shares available under the Share Offer.

One application has been rejected due to dishonoured cheques or rejection of electronic payment instructions. Six multiple or suspected multiple applications have been identified and rejected. No invalid application has been identified. No application for more than 50% of the number of the Public Offer Shares initially available under the Public Offer (that is, more than 12,500,000 Shares) has been identified. The Offer Shares offered in the Public Offer will be conditionally allocated on the basis set out in the paragraph headed “Basis of allotment under the Public Offer” below.

The final number of Offer Shares allocated to the Public Offer is 25,000,000 Offer Shares, representing 10% of the total number of Offer Shares available under the Share Offer (before any exercise of the Over-allotment Option).

PLACING

The Placing Shares initially offered under the Placing have been slightly over-subscribed. The final number of Placing Shares allocated to 169 places under the Placing is 225,000,000 Shares after reallocation to the Public Offer, representing 90% of the total number of the Offer Shares available under the Share Offer (before any exercise of the Over-allotment Option).

Cornerstone Investor

- Pursuant to the Cornerstone Investment Agreement with the Cornerstone Investor, Mr. Cheng Chi Heng has subscribed for 40,000,000 Shares, representing (a) approximately 4.0% of the Company's total issued share capital following the completion of the Share Offer and (b) approximately 16.0% of the total number of Offer Shares under the Share Offer. Please refer to the section headed "Cornerstone Investor" in the Prospectus for further details relating to the Cornerstone Investor.
- The Cornerstone Investor is independent of the Company, connected persons of the Company and their respective associates, within the meaning of the Listing Rules. The Cornerstone Investor will acquire the Offer Shares pursuant to, and as part of, the Placing. The Offer Shares to be subscribed for by the Cornerstone Investor will rank *pari passu* in all aspects with the other fully-paid Shares in issue upon completion of the Share Offer and will be counted towards the public float of the Company. The Cornerstone Investor will not have any representation on the Board or become a substantial shareholder (as defined in the Listing Rules) of the Company upon completion of the Share Offer and will not subscribe for any Offer Shares under the Share Offer other than pursuant to the Cornerstone Investment Agreement.
- The Cornerstone Investor has also agreed that, without the prior written consent of the Company, the Sole Sponsor, the Joint Bookrunners and/or the Joint Lead Managers, he will not, whether directly or indirectly, at any time during the Lock-up Period following the Listing Date, dispose of any of the Offer Shares he has purchased pursuant to the Cornerstone Investment Agreement.

None of the Sole Sponsor, the Joint Bookrunners, the Joint Lead Managers, the Underwriters or their respective affiliates, companies and connected clients of the lead broker or of any distributors (as defined in Appendix 6 to the Listing Rules) has been taken up any Offer Shares for its own benefit under the Share Offer. The Directors confirm that, to the best of their knowledge, information and belief having made all reasonable enquiries, no Placing Shares have been allocated to applicants who are Directors, existing Shareholders or beneficial owners of Shares and/or any securities of the Company's subsidiaries and core connected persons of the Company or their respective close associates within the meaning of the Listing Rules, whether in their own names or through nominees. The Directors further confirm that the Placing has been conducted in compliance with the Placing Guidelines and no Placing Shares placed by or through the Joint Bookrunners and the Underwriters under the Share Offer have been placed with any core connected person (as such term is defined in the Listing Rules) of the Company or persons set out in paragraph 5 of the Placing Guidelines, whether in their own names or through nominees. The Directors confirm that none of the Offer Shares subscribed by the placees and the public has been financed directly or indirectly by any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders, or existing Shareholders of the Company or any of its subsidiaries or their respective close associates, and none of the placees and the public who has subscribed the Offer Shares is accustomed to taking instructions from any of the Directors, chief executive, Controlling Shareholders, substantial Shareholders or existing Shareholders of the Company or any of its subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of Shares registered in his/her/its name or otherwise held by him/her/it. No placee will, individually, be placed with more than 10% of the enlarged issued share capital of the Company immediately after the Share Offer. None of the placees under the Placing will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Share Offer and the number of Shares to be held by the public will satisfy the minimum percentage prescribed by Rule 8.08 of the Listing Rules. The Directors confirm that the three largest public shareholders of the Company do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules. The Directors also confirm that there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.

Over-allotment Option

In connection with the Share Offer, the Company has granted the Over-allotment Option to the Joint Bookrunners which is exercisable in full or in part by the Joint Bookrunners (on behalf of the Placing Underwriters), at any time from the Listing Date until the 30th day after the last day for lodging of applications under the Public Offer, being Thursday, 25 July 2019, to require the Company to allot and issue up to 37,500,000 additional Shares, representing 15% of the number of Offer Shares initially available under the Share offer, at the Offer Price to cover, among other things, over-allocation in the Placing, and/or the obligations of the Stabilising Manager to return securities borrowed under the Stock Borrowing Agreement. As at the date of this announcement, the Joint Bookrunners confirm that there has been no over-allocations in the Placing and the Over-allotment Option has not been and will not be exercised.

BASIS OF ALLOTMENT UNDER THE PUBLIC OFFER

Subject to the satisfaction of the conditions set out in the section headed "Structure and conditions of the Share Offer – Conditions of the Public Offer" in the Prospectus, valid applications made on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS will be conditionally allocated on the basis set out below:

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
POOL A			
8,000	6,266	428 out of 6,266 to receive 8,000 Shares	6.83%
16,000	658	84 out of 658 to receive 8,000 Shares	6.38%
24,000	135	25 out of 135 to receive 8,000 Shares	6.17%
32,000	52	12 out of 52 to receive 8,000 Shares	5.77%
40,000	67	19 out of 67 to receive 8,000 Shares	5.67%
48,000	18	6 out of 18 to receive 8,000 Shares	5.56%
56,000	8	3 out of 8 to receive 8,000 Shares	5.36%
64,000	32	13 out of 32 to receive 8,000 Shares	5.08%
72,000	9	4 out of 9 to receive 8,000 Shares	4.94%
80,000	573	275 out of 573 to receive 8,000 Shares	4.80%
120,000	282	190 out of 282 to receive 8,000 Shares	4.49%
160,000	368	316 out of 368 to receive 8,000 Shares	4.29%
200,000	21	8,000 Shares	4.00%
240,000	5	8,000 Shares	3.33%
280,000	1	8,000 Shares	2.86%
320,000	38	8,000 Shares plus 5 out of 38 to receive additional 8,000 Shares	2.83%
360,000	11	8,000 Shares plus 2 out of 11 to receive additional 8,000 Shares	2.63%
400,000	13	8,000 Shares plus 3 out of 13 to receive additional 8,000 Shares	2.46%
600,000	6	8,000 Shares plus 3 out of 6 to receive additional 8,000 Shares	2.00%
800,000	6	16,000 Shares	2.00%
1,000,000	3	16,000 Shares	1.60%
1,200,000	1	16,000 Shares	1.33%
1,600,000	2	16,000 Shares plus 1 out of 2 to receive additional 8,000 Shares	1.25%
2,000,000	4	24,000 Shares	1.20%
2,800,000	1	32,000 Shares	1.14%
3,200,000	1	32,000 Shares	1.00%
4,000,000	2	40,000 Shares	1.00%
6,000,000	3	48,000 Shares	0.80%
8,000,000	1	56,000 Shares	0.70%
Total:	<u>8,587</u>		

NO. OF SHARES APPLIED FOR	NO. OF VALID APPLICATIONS	BASIS OF ALLOTMENT/BALLOT	APPROXIMATE PERCENTAGE ALLOTTED OF THE TOTAL NO. OF SHARES APPLIED FOR
POOL B			
10,000,000	2	3,840,000 Shares plus 1 out of 2 to receive additional 8,000 Shares	38.44%
12,496,000	1	4,808,000 Shares	38.48%
Total:	<u>3</u>		

The final number of Public Offer Shares available under the Public Offer is 25,000,000 Shares, representing 10% of the total number of the Offer Shares available under the Share Offer (before any exercise of the Over-allotment Option).

The final number of Placing Shares available under the Placing is 225,000,000 Shares after reallocation to the Public Offer, representing 90% of the total number of the Offer Shares available under the Share Offer (before any exercise of the Over-allotment Option).

CORNERSTONE INVESTOR

As set out in the section headed “Cornerstone Investor” in the Prospectus, the Cornerstone Investor, Mr. Cheng Chi Heng has agreed to subscribed for, at the final Offer Price of HK\$0.5 per Offer Share, 40,000,000 Shares, representing (a) approximately 4.0% of the Company’s total issued share capital following the completion of the Share offer and (b) approximately 16.0% of the total number of Offer Shares under the Share Offer.

The Cornerstone Investor is independent of the Company, connected persons of the Company and their respective associates, within the meaning of the Listing Rules. The Offer Shares to be subscribed for by the Cornerstone Investor will rank *pari passu* in all aspects with the other fully-paid Shares in issue upon completion of the Share Offer and will be counted towards the public float of the Company. The Cornerstone Investor will not have any representation on the Board or becomes a substantial shareholder (as defined in the Listing Rules) of the Company upon completion of the Share Offer and will not subscribe for any Offer Shares under the Share Offer other than pursuant to the Cornerstone Investment Agreement.

The Cornerstone Investor has agreed that, without the prior written consent of the Company, the Sole Sponsor, the Joint Bookrunners and/or the Joint Lead Managers, he will not, whether directly or indirectly, at any time during the Lock-up Period following the Listing Date, dispose of any of the Offer Shares he has purchased pursuant to the Cornerstone Investment Agreement.

SHAREHOLDING CONCENTRATION ANALYSIS

Set out below is a summary of allotment results under the Placing:

	Aggregate number of Placing Shares allocated under the Placing	Approximate aggregate % of the total number of Placing Shares allocated under the Placing	Approximately aggregate % of the total number of Offer Shares under the Share Offer	Approximate aggregate % of the entire issued share capital immediately upon completion of the Share Offer
Top placee	40,000,000	17.78%	16.00%	4.00%
Top 5 placees	55,448,000	24.64%	22.18%	5.54%
Top 10 placees	73,392,000	32.62%	29.36%	7.34%
Top 25 placees	115,992,000	51.55%	46.40%	11.60%

The Directors confirm that no Placing Shares have been allocated to applicants who are Directors, existing Shareholders or beneficial owners of Shares and/or any securities of the Company's subsidiaries and core connected persons of the Company or their respective close associates within the meaning of the Listing Rules, whether in their own names or through nominees. The Directors further confirm that the Placing has been conducted in compliance with the placing guidelines as set out in Appendix 6 of the Placing Guidelines, and no Placing Shares placed by or through the Joint Bookrunners and the Underwriters under the Share Offer have been placed with any core connected person (as such term is defined in the Listing Rules) of the Company or persons set out in Paragraph 5 of the Placing Guidelines, whether in their own names or through nominees. No placee will, individually, be placed with more than 10% of the enlarged issued share capital of the Company immediately after the Share Offer.

None of the placee under the Placing will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Share Offer and the number of Shares to be held by the public will satisfy the minimum percentage prescribed by Rule 8.08 of the Listing Rules. The Directors confirm that the three largest public shareholders of the Company do not hold more than 50% of the Shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules. The Directors also confirm that there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.

RESULTS OF ALLOCATIONS

The results of allocations of Public Offer Shares in the Public Offer, including applications made on **WHITE** and **YELLOW** Application Forms and through giving **electronic application instructions** to HKSCC via CCASS and the Hong Kong identity card/passport/Hong Kong business registration numbers (where appropriate) of successful applicants will be available at the dates and times and in the manner specified below:

- in the announcement to be posted on the Company’s website at **khoongroup.com** and the Stock Exchange’s website at **www.hkexnews.hk** by no later than Thursday, 4 July 2019;
- from the designated results of allocations website at **www.ewhiteform.com.hk/results** with a “search by ID” function on a 24-hour basis from 9:00 a.m. on Thursday, 4 July 2019 to 12:00 midnight on Wednesday, 10 July 2019;
- by telephone enquiry line at (852) 2153 1688 between 9:00 a.m. and 6:00 p.m. from Thursday, 4 July 2019 to Wednesday, 10 July 2019 on a Business Day (excluding Saturday, Sunday and public holiday in Hong Kong); and
- in the special allocation results booklets which will be available for inspection during opening hours from Thursday, 4 July 2019 to Monday, 8 July 2019 at the receiving bank’s designated branches set out below:

Industrial and Commercial Bank of China (Asia) Limited

District	Branch Name	Address
Hong Kong Island	Queen’s Road Central Branch	Basement, Ground Floor and First Floor of 122 QRC, Nos. 122-126 Queen’s Road Central, Hong Kong
Kowloon	Tsim Sha Tsui Branch	Shop 1&2, G/F, No. 35-37 Hankow Road, Tsimshatsui, Kowloon
New Territories	Sha Tsui Road Branch	Shop 4, G/F, Chung On Building, 297-313 Sha Tsui Road, Tsuen Wan, New Territories

Applicants applying through their designated CCASS Participants (other than CCASS Investor Participants) can arrange with their designated CCASS Participants to advise them of the number of Offer Shares allocated under their applications. Successful CCASS Investor Participants can check the number of Offer Shares allocated to them via the CCASS Phone System and CCASS Internet System on Thursday, 4 July 2019 or from the activity statement that will be made available by HKSCC to them showing the number of Public Offer Shares credited to their CCASS Investor Participant stock accounts.