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## KAKIKO GROUP LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2225)

### SUPPLEMENTAL ANNOUNCEMENT TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

Reference is made to the annual report of Kakiko Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the year ended 31 December 2018 (the “**2018 Annual Report**”). Unless otherwise defined, terms used herein shall bear the same meanings as those defined in the 2018 Annual Report.

Based on the prospectus of the Company dated 4 October 2017 (the “**Prospectus**”), the net proceeds from the share offer of the Group (the “**Net Proceeds**”) at the time of its listing on 17 October 2017 (the “**Listing Date**”) was approximately HK\$82.6 million. Reference is made to the paragraph headed “Use of proceeds from the Share Offer” of the 2018 Annual Report on the usage of the aforesaid HK\$82.6 million. The board (the “**Board**”) of directors (the “**Directors**”) of the Company would like to provide additional information, including the timing of any unutilised portion, in the 2018 Annual Report:

#### 2018 Annual Report – Use of Net Proceeds from Listing

The below table sets out the proposed applications of the Net Proceeds from the Listing Date to 31 December 2018:

Use of Net Proceeds as disclosed in the Prospectus (Note 1)	Amount of the Net Proceeds for each intended usage HK\$' million	Amount of the utilised Net Proceeds as at 31 December 2017 HK\$' million	Amount of the utilised Net Proceeds as at 31 December 2018 HK\$' million	Total unutilised Net Proceeds from the Listing Date to 31 December 2018 HK\$' million	Expected timeline for the use of the unutilised Net Proceeds (Note 2)		
					for the year ending 31 December 2019 HK\$' million	for the year ending 31 December 2020 HK\$' million	for the six months ending 30 June 2021 HK\$' million
(1) For partly financing the acquisition of an additional foreign worker dormitory at an estimated consideration of HK\$162.0 million	77.1	Nil	Nil	77.1	Please refer to the paragraph headed “Expected timeline for use of the unutilised Net Proceeds” below		
(2) For financing the acquisition of 10 additional lorries	5.5	Nil	1.8	3.7	Nil	1.7	2.0
Total	82.6	Nil	1.8	80.8			

Notes:

1. Further details were set out in the section headed “Future Plans and Use of Proceeds” in the Prospectus.
2. The expected timeline for utilising the remaining Net Proceeds is based on the best estimation of the future market conditions made by the Group. It will be subject to change based on the current and future development of market conditions.

### **Expected timeline for use of the unutilised Net Proceeds**

As at 31 December 2018, the unutilised Net Proceeds of approximately HK\$80.8 million has been placed as deposits into licensed banks in Singapore and Hong Kong. The unutilised Net Proceeds will be expected to be used according to the intentions previously disclosed in the Prospectus, with further details as elaborated below:

- As for the acquisition of an additional foreign worker dormitory, the unutilised portion amounted to approximately HK\$77.1 million as at 31 December 2018. Whilst the Company is actively exploring suitable dormitory for acquisition, the Board took a cautious approach by scouting for a property that is worth its value and would also withstand any possible downturn in the property market to ensure shareholders’ value are adequately protected. The Company hoped it will locate a reasonably priced property over the next 12 months that will suit its business needs, subject to the market conditions at the material time.
- As for the acquisition of 10 additional lorries, the unutilised portion amounted to approximately HK\$3.7 million as at 31 December 2018. The Company also takes a cautious approach in acquiring additional lorries by taking into account of, amongst others, the estimated demand for foreign workers in Singapore and the utilization rate of the lorries owned by the Company. The Company expects to utilize approximately HK\$1.7 million for financing the acquisition of 3 additional lorries by 31 December 2020 and the remaining of approximately HK\$2.0 million for financing the acquisition of 4 additional lorries by 30 June 2021.

The supplementary information provided in this announcement does not affect other information contained in the 2018 Annual Report and, save as disclosed above, the contents of the 2018 Annual Report remain unchanged.

By order of the Board  
**Kakiko Group Limited**  
**Chen Guobao**

*Chairman of the Board and Executive Director*

Hong Kong, 5 September 2019

*As at the date of this announcement, the executive Directors are Mr. Chen Guobao and Mr. Wang Zhenfei; the non-executive Directors are Mr. Yang Fu Kang, Mr. Li Yunping, Mr. Wang Huasheng and Mr. Jiang Jianguyu; and the independent non-executive Directors are Mr. Yan Jianjun, Mr. Fan Yimin and Mr. Lau Kwok Fai Patrick.*