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**Kin Pang Holdings Limited**  
**建鵬控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1722)**

**INSIDE INFORMATION**  
**SUSPECTED FRAUD INCIDENT IN RELATION TO**  
**MACHINERY ACQUISITION**

This announcement is made by Kin Pang Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, Kin Pang Construction Engineering Company Limited (“**Kin Pang**”), a wholly owned subsidiary of the Company, recently encountered a suspected case of fraud in relation to machinery acquisition (the “**Suspected Fraud Incident**”).

In August 2023, Kin Pang initiated the acquisition process (the “**Machinery Acquisition**”) for a construction machinery from a supplier (the “**Supplier**”), and the terms of the Machinery Acquisition were confirmed between Kin Pang and the Supplier via verbal and email communications. By around September 2023, a party impersonating the Supplier through one of the Supplier’s email addresses (the “**Fake Supplier**”) approached and engaged in discussions with Kin Pang in relation to the Machinery Acquisition. During the discussions, the Fake Supplier suggested that the former payment method provided to Kin Pang would no longer be in use and that the sums payable by Kin Pang shall be settled via different payment means. As the email address used by the Fake Supplier matches one of those used by the Supplier and the Fake Supplier appeared to be highly familiar with the details of prior negotiations between Kin Pang and the Supplier regarding the Machinery Acquisition, the staff of Kin Pang was then unaware of the fraud scheme implemented by the Fake Supplier.

Subsequently, Kin Pang remitted two payments totaling EUR517,000 (equivalent to approximately MOP4.5 million) to the designated bank accounts provided by the Fake Supplier. However, in early October 2023, upon enquiry with the Supplier for the payment receipt, Kin Pang was informed by the Supplier that no payment was in fact received from Kin Pang. Based on discussions with the Supplier after its internal investigation, Kin Pang was informed that the email address used by the Fake Supplier appeared to be a hacked email address and those email correspondences purportedly sent via such email address were unauthorised insofar as the Supplier is concerned.

Upon discovering the incident, Kin Pang has reported the matters to the Macau Police, the Hong Kong Police and FBI cyber fraud reporting. Immediately after discovering the Suspected Fraud Incident, the Company has sought advice from its legal advisers regarding the legal position of the Group as well as any available legal remedies against the wrongdoer(s).

As at the date of this announcement, the Company has been unable to recover the two payments totaling EUR517,000 (equivalent to approximately MOP4.5 million). The management of the Company considers that the Suspected Fraud Incident is an isolated incident and the financial loss will not have any material impact on the daily operations of the Company.

The Company is treating this matter with utmost seriousness and has taken immediate action to address the Suspected Fraud Incident. The Company is fully cooperating with the relevant authorities in their investigation, and appropriate measures have been implemented to mitigate any potential impact on the Company's operations and financial position. In particular, the Group has heightened its alert for all monetary transactions with third parties, with enhanced control measures implemented to authenticate the payees' identities prior to issuing any payment authorisations.

The Company will continue to closely monitor the situation and will provide updates to shareholders and investors as necessary.

By Order of the Board  
**Kin Pang Holdings Limited**  
**Kong Kin I**  
*Chairman*

Macau, 7 November 2023

*As at the date of this announcement, the Board comprises (i) Mr. Kong Kin I (Chairman and Chief Executive Officer) and Ms. Choi Fong Lan as executive directors of the Company; and (ii) Mr. Cheung Wai Lun Jacky, Mr. Cheung Kin Wing and Mr. Zhao Zhipeng as independent non-executive directors of the Company.*