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**KWUNG'S HOLDINGS LIMITED**  
**曠世控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 1925)**

**DISCLOSEABLE TRANSACTION**  
**REDEMPTION OF INTERESTS IN FUNDS**

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On 18 December 2023, Ningbo Kwung's and Ningbo Aromage, indirectly wholly owned subsidiaries of the Company, served written notices to the Fund Manager to redeem interests in the First Fund and the Second Fund respectively. The carrying amount of the interests in the First Fund as at 30 June 2023 under the First Redemption was approximately RMB10,509,000 and the carrying amount of the interests in the Second Fund as at 30 June 2023 under the Second Redemption was approximately RMB31,295,000.

**IMPLICATION UNDER THE LISTING RULES**

All of the applicable percentage ratios (as defined under the Listing Rules) in respect of the First Redemption are less than 5%. Accordingly the First Redemption did not constitute a discloseable transaction under Chapter 14 of the Listing Rules.

As certain applicable percentage ratios (as defined under the Listing Rules) in respect of the Second Redemption after aggregation with the First Redemption exceed 5% but are less than 25%, the Redemptions constitutes a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

## INTRODUCTION

Certain indirectly wholly owned subsidiaries of the Company subscribed interests in three funds (the “**Funds**”), namely Zhurun Lezai No. 81 Private Securities Investment Fund\* (竹潤樂在81號私募證券投資基金) (the “**First Fund**”), Zhurun Lesheng No. 1 Private Equity Investment Fund\* (竹潤樂勝1號私募證券投資基金) (the “**Second Fund**”) and Zhurun Lezai No. 82 Private Equity Investment Fund\* (竹潤樂在82號私募證券投資基金) (the “**Third Fund**”) during the year ended 31 December 2022 and the total subscription amounts in the Funds were RMB100,000,000. The Funds are managed by Shanghai Zhurun Investment Company Limited\* (上海竹潤投資有限公司) (the “**Fund Manager**”). Please refer to the announcements of the Company dated 4 November 2022, 16 November 2022, 22 November 2022 and 7 December 2022 for the details of the subscriptions in the Funds.

As at 30 June 2023, the total carrying amounts of the interests in the Funds held by the Group was approximately RMB105,202,000.

On 18 December 2023, Ningbo Kwung’s and Ningbo Aromage, indirectly wholly owned subsidiaries of the Company, served written notices to the Fund Manager to redeem interests in the First Fund (the “**First Redemption**”) and the Second Fund (the “**Second Redemption**”) respectively. The carrying amount of the interests in the First Fund as at 30 June 2023 which was redeemed by Ningbo Kwung’s was approximately RMB10,509,000 and the carrying amount of the interests in the Second Fund as at 30 June 2023 which was redeemed by Ningbo Aromage was approximately RMB26,906,000.

On 20 December 2023, the Fund Manager confirmed that the redemption proceeds from the First Redemption was approximately RMB10,801,000 and the redemption proceeds from the Second Redemption was approximately RMB27,699,000. The proceeds from the Redemptions are expected to be deposited to the bank accounts of Ningbo Kwung’s and Ningbo Aromage within seven business days from the date of the written notices served to the Fund Manager.

## INFORMATION OF THE PARTIES

### The Group

The Company is incorporated in Cayman Islands with limited liability and the Group is principally engaged in the design and manufacturing of home decoration products, comprising candles, home fragrance and home accessories in the PRC.

### The Fund Manager

Shanghai Zhurun Investment Company Limited\* (上海竹潤投資有限公司) was established in 2015 under the laws of PRC and was registered as a private fund manager under the Asset Management Association of China in October 2019 (registration number: P1070287), which is principally engaged in asset management services in the PRC.

Shanghai Zhurun Investment Company Limited\* (上海竹潤投資有限公司) is ultimately owned as to 60% by Mr. LE Zhengnan\* (樂徵楠) and 40% by Mr. LI Ye\* (栗葉). To the best knowledge, information and belief of the Directors, and having made all reasonable enquiries, Shanghai Zhurun Investment Company Limited\* (上海竹潤投資有限公司) and its ultimate beneficial owners are third parties independent of and not connected with the Company and its connected persons.

## **REASONS FOR AND BENEFITS OF THE REDEMPTIONS**

The Group has subscribed interests in the Funds for more than one year and there has been stable unrealised gain from such investments in the Funds throughout the subscription period up to the date of the Redemptions. The Directors are of the view that it is important to make periodic review on the performance and the outlook of the Funds, and consider that it is a good timing to redeem certain interests in the Funds to secure the investment gain and then explore other investment opportunities in the market.

The Group intends to use the proceeds from the Redemptions for other investment and business opportunities that may arise in the future.

In view of the above, the Directors consider that the Redemptions are on normal commercial terms which are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **IMPLICATIONS UNDER THE LISTING RULES**

All of the applicable percentage ratios (as defined under the Listing Rules) in respect of the First Redemption are less than 5%. Accordingly the First Redemption did not constitute a discloseable transaction under Chapter 14 of the Listing Rules.

Since the First Fund and the Second Fund involved under the Redemptions share similar investment terms, the subscription of the First Fund and the Second Fund were entered into with the same fund manager, and the First Redemption and the Second Redemption are carried out within 12 months prior to the date of this announcement, the Redemptions are required to be aggregated pursuant to Rule 14.22 of the Listing Rules.

As certain applicable percentage ratios (as defined under the Listing Rules) in respect of the Second Redemption after aggregation with the First Redemption exceed 5% but are less than 25%, the Redemptions constitute a discloseable transaction for the Company and is subject to notification and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“Board”	the board of Directors
“Company”	Kwung’s Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code:1925)
“Director(s)”	director(s) of the Company
“First Fund”	Zhurun Lezai No. 81 Private Securities Investment Fund* (竹潤樂在81號私募證券投資基金)
“First Redemption”	Redemption of interests in the First Fund by Ningbo Kwung’s on 18 December 2023, the carrying amount of which was approximately RMB10,509,000 as at 30 June 2023
“Fund Manager”	Shanghai Zhurun Investment Company Limited* (上海竹潤投資有限公司), a company established in the PRC with limited liability and registered as a private fund manager under the Asset Management Association of China in October 2019 (registration number: P1070287)
“Funds”	collectively, the First Fund, the Second Fund and the Third Fund
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	a party independent of and not connected with the Company and its connected persons
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“Ningbo Aromage”	Ningbo Aromage Homeware Company Limited* (寧波香薰時代家居用品有限公司), a company established in the PRC with limited liability, and an indirectly wholly-owned subsidiary of the Company

“Ningbo Kwung’s”	Ningbo Kwung’s Wisdom Art & Design Company Limited* (寧波曠世智源工藝設計有限公司), a company established in the PRC with limited liability, and an indirectly wholly-owned subsidiary of the Company
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Redemptions”	collectively the First Redemption and the Second Redemption
“RMB”	Renminbi, the lawful currency of PRC
“Second Fund”	Zhurun Lesheng No. 1 Private Equity Investment Fund* (竹潤樂勝1號私募證券投資基金)
“Second Redemption”	Redemption of interests in the Second Fund by Ningbo Aromage on 18 December 2023, the carrying amount of which was approximately RMB26,906,000 as at 30 June 2023
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Third Fund”	Zhurun Lezai No. 82 Private Equity Investment Fund* (竹潤樂在82號私募證券投資基金)
“%”	percentage

By order of the Board  
**Kwung’s Holdings Limited**  
**JIN Jianxin**  
*Chairman*

Hong Kong, 20 December 2023

*As at the date of this announcement, the executive Directors are Mr. JIN Jianxin and Mr. TIAN Dong; the non-executive Director is Mr. SHAO Patrick; and the independent non-executive Directors are Mr. LAI Chun Yu, Ms. XU Qiong and Mr. ZHOU Kai.*

\* For identification purposes only