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KNT

KNT HOLDINGS LIMITED

嘉藝控股有限公司 *

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1025)

CHANGE IN USE OF PROCEEDS

Reference is made to the prospectus issued by KNT Holdings Limited (the "**Company**") dated 3 March 2025 relating to the proposed rights issue (the "**Rights Issue**") on the basis of three (3) rights shares for every one (1) share held on the record date (the "**Prospectus**"). Unless otherwise defined, capitalized terms used to this announcement shall have the same respective meanings as those defined in the Prospectus.

The Board hereby announces that after careful consideration and detailed evaluation of the Group's operations and business strategy, the Board has resolved to change the use of the unutilized portion of the net proceeds from the Rights Issue (the "**Net Proceeds**") in the manner as set out below.

CHANGE IN USE OF PROCEEDS

The original intended use of Net Proceeds, which amounted to approximately HK$41.6 million, was disclosed in the section head "Intended use of proceeds" in the Prospectus.

As at the date of this announcement, the Group has utilized approximately HK$29.6 million of the Net Proceeds and the unutilized portion of the Net Proceeds amounted to approximately HK$12.0 million (the "**Unutilized Net Proceeds**").

* *For identification purposes only*

The Board has resolved to change the use of the Unutilized Net Proceeds as follows:-

	Intended use of Net Proceeds as disclosed in the Prospectus *HK$'million*	**Utilized Net Proceeds as at the date of this announcement** *HK$'million*	**Remaining Net Proceeds as at the date of this announcement** *HK$'million*	**Revised allocation of the Remaining Net Proceeds** *HK$'million*
Use of proceeds from the Rights Issue				
Investment in further expanding and/or diversifying the manufacturing business of the Group in southeast Asia	12.0	–	12.0	–
Investment in new business segment	5.0	5.0	–	–
Repayment of debts	15.0	15.0	–	4.0
General working capital of the Group	9.6	9.6	–	8.0
	41.6	29.6	12.0	12.0

The Company currently expects to fully utilize the Unutilized Net Proceeds by 31 December 2025.

Save for the disclosed herein, there are no other changes in the use of the Net Proceeds.

REASONS FOR THE CHANGE IN USE OF PROCEEDS

In view of the uncertainly arise from the recent development of US tariff regime and political tensions in southeast countries and the demand growth from our customers is less than expected, the Board considers that the proposed reallocation of the Unutilized Net Proceeds from the investment in further expanding and/or diversifying the manufacturing business of the Group in Southeast Asia to repayment of debts, including but not limited to the borrowing and/or payable of the Group, and general working capital of the Group will better align with the Group's current operational needs and financial strategy. The Board is of the view that allocating HK$4.0 million to repay outstanding debts will help reducing interest expenses (as the case maybe) and strengthen the Group's balance sheet amid a challenging economic environment, while the HK$8.0 million for general working capital will provide flexibility to support day-to-day operations, inventory management, and other short-term requirements. The Board believes that the above change to the proposed use of Unutilized Net Proceeds will not adversely affect the existing operation and business allow the Company to deploy its financial resources more efficiency and enhance the business performance of the Group in the long run and is therefore in the interests of the Group and the Shareholders as a whole.

On the progress of the use of the Unutilized Net Proceeds, the Company will provide update to its Shareholders through disclosures in its annual report and interim report going forward. The Company will make further announcement(s) in accordance with the requirements under the Listing Rules and other applicable laws as and when appropriate.

The Board will continuously monitor the use of the Unutilized Net Proceeds and may revise or amend the plan for such use where necessary to cope with market conditions and strive for better business performance of the Group.

By the Order of the Board
KNT Holdings Limited
Chong Sik
Chairman and Executive Director

Hong Kong, 22 August 2025

As at the date of this announcement, the Board comprises five executive Directors, namely, Mr. Chong Sik, Mr. Chong Pun, Mr. Lam Chi Yuen, Mr. Tsui Wing Tak and Ms. Wu Zongmei; and three independent non-executive Directors, namely, Mr. Lau Koong Yep, Mr. Yuen King Sum and Mr. Chan Kai Chung.