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Most Kwai Chung Limited

毛記葵涌有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1716)

ANNOUNCEMENT

PLACING OF NEW SHARES UNDER THE GENERAL MANDATE

Sole Overall Coordinator and Sole Placing Agent



Maxa Asset Management Limited

THE PLACING

On 6 July 2026 (after trading hours), the Company and the Sole Placing Agent entered into the Placing Agreement, pursuant to which the Company has conditionally agreed to allot and issue, and the Sole Placing Agent has conditionally agreed to procure, on a best effort basis, not less than six (6) Placees to subscribe for up to 54,000,000 Placing Shares at the Placing Price of HK\$4.28 per Share upon the terms and subject to the conditions set out in the Placing Agreement.

The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Board at the annual general meeting of the Company held on 19 August 2025.

On the assumption that the Sale Shares are fully placed, the number of the Placing Shares represents: (a) 20% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 16.67% of the enlarged total number of Shares in issue upon completion of the Placing (assuming there will be no change to the total number of Shares in issue from the date of this announcement to the date of completion of the Placing other than the issue of the Placing Shares).

The Placing Price of HK\$4.28 per Placing Share (exclusive of all brokerage, Hong Kong stamp duty, transaction levies of the Securities and Futures Commission and Accounting and Financial Reporting Council and trading fees of the Stock Exchange) represents:

- (a) a discount of approximately 19.70% to the closing price of HK\$5.33 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 15.28% to the average closing price of HK\$5.05 per Share as quoted on the Stock Exchange for the last five (5) trading days immediately prior to the Last Trading Day; and
- (c) a discount of approximately 12.67% to the average closing price of HK\$4.90 per Share as quoted on the Stock Exchange for the last ten (10) trading days immediately prior to the Last Trading Day.

GENERAL MANDATE TO ISSUE THE PLACING SHARES

The issue of the Placing Shares will not be subject to Shareholders' approval and the Placing Shares will be allotted and issued under the General Mandate. As at the date of this announcement, the maximum number of new Shares that can be allotted and issued under the General Mandate is 54,000,000 Shares. The Company has not issued any Shares under the General Mandate as at the date of this announcement.

USE OF PROCEEDS

On the assumption that the Placing Shares are fully placed, the gross proceeds and net proceeds from the Placing are expected to be approximately HK\$231.1 million and approximately HK\$228.8 million, respectively.

It is intended that the net proceeds from the Placing will be used in the following manner:

- (a) as to 60%, being approximately HK\$137.3 million, for establishment and growth of new environmental and sustainability businesses planned by the Company;
- (b) as to 20%, being approximately HK\$45.8 million, for product and service range expansion of the Group's existing media business; and
- (c) as to 20%, being approximately HK\$45.8 million, for general working capital of the Group.

Completion of the Placing is subject to satisfaction of the conditions set out in the Placing Agreement and may or may not take place. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

THE PLACING

The Board is pleased to announce that on 6 July 2026 (after trading hours), the Company entered into the Placing Agreement with the Sole Placing Agent.

Pursuant to the Placing Agreement, the Company has conditionally agreed to allot and issue, and the Sole Placing Agent has conditionally agreed to procure, on a best effort basis, not less than six (6) Placees to subscribe for up to 54,000,000 Placing Shares at the Placing Price of HK\$4.28 per Share upon the terms and subject to the conditions set out in the Placing Agreement.

The Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Board at the annual general meeting of the Company held on 19 August 2025.

THE PLACING AGREEMENT

Date

6 July 2026 (after trading hours)

Parties

1. The Company (as the issuer); and
2. Maxa Asset Management Limited (as the Sole Overall Coordinator and Sole Placing Agent).

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Sole Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Number of Placing Shares

The maximum number of 54,000,000 Placing Shares represents:

- 20% of the total number of issued Shares as at the date of this announcement; and
- approximately 16.67% of the total issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The aggregate nominal value of the maximum number of Placing Shares will be HK\$540,000 (based on a nominal value of HK\$0.01 each).

The Placees

The Placing Shares are expected to be placed to not less than six (6) Placees, who will be professional, institutional or other investors. The Placees, together with their respective ultimate beneficial owners, will be Independent Third Parties. It is a condition of the Placing that none of the Placees will become a substantial shareholder (as defined under the Listing Rules) of the Company immediately upon Completion.

Placing Price

The Placing Price of HK\$4.28 per Share represents:

- a discount of approximately 19.70% to the closing price of HK\$5.33 per Share as quoted on the Stock Exchange on the Last Trading Day;
- a discount of approximately 15.28% to the average closing price of HK\$5.05 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days immediately prior to the Last Trading Day; and
- a discount of approximately 12.67% to the average closing price of HK\$4.90 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days immediately prior to the Last Trading Day.

The Placing Price was determined after arm's length negotiations between the Company and the Sole Placing Agent with reference to the prevailing market prices of the Shares, historical liquidity, and current market conditions.

The net Placing Price (after deducting placing commission, documentation fees, professional fees and other related expenses) is estimated to be approximately HK\$4.24 per Placing Share.

Ranking of the Placing Shares

The Placing Shares, when fully paid and issued, will rank *pari passu* in all respects among themselves and with the existing Shares in issue on the date of allotment and issue, including the right to receive all dividends and other distributions declared, made or paid on or after the date of allotment and issue.

Conditions Precedent

Completion of the Placing is conditional upon the satisfaction (or waiver, where applicable) of the following conditions:

1. the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Placing Shares, and such listing and permission not subsequently being revoked;
2. all necessary consents and approvals of the Company required for the execution of the Placing Agreement and the transactions contemplated thereby having been duly obtained;
3. there being no material breach of this Agreement, or event that would render any representation, warranty or undertaking made by the Company under the Placing Agreement untrue, inaccurate or misleading in any material respect; and
4. The Placing Agreement has not been terminated by the Placing Agent pursuant to the terms thereof.

If any of the conditions precedent above is not fulfilled or waived (where applicable) on or before the Long Stop Date (or such later time and date as may be agreed between the Company and the Sole Placing Agent), the Placing Agreement shall terminate and all rights, obligations and liabilities of the parties thereunder shall cease and determine, save for any antecedent breaches.

Termination

The Sole Placing Agent may terminate the Placing Agreement by notice in writing to the Company at any time prior to 8:00 a.m. on the date of Completion if, in its reasonable opinion, there occurs:

1. any change in the financial, foreign exchange control, political, or economic conditions in Hong Kong or the PRC, and the Placing Agent reasonably believes that such change will have a material adverse effect on the completion of the Placing;
2. any breach of any warranty, representation, or undertaking made by the Company under this Agreement, and such breach constitutes a material breach in the context of the Placing;
3. any material change in market conditions (whether or not part of a series of changes) that will have a material and adverse effect on the Placing, or render the Placing inappropriate or unfeasible;
4. trading in the Shares on the Stock Exchange having been suspended for more than ten (10) consecutive business days (except for circumstances arising out of or in connection with the Placing); or
5. any material litigation or claim brought against any member of the Group by a third party that may have a material adverse effect on the Group's overall business or financial prospects and will seriously impair the successful completion of the Placing.

Completion

Completion shall take place on a day falling within five (5) Business Days after the date on which all conditions precedent are satisfied or waived (or such other date as the Company and the Sole Placing Agent may agree in writing).

Completion of the Placing is subject to satisfaction of the conditions set out in the Placing Agreement and may or may not take place. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the securities of the Company.

GENERAL MANDATE

The issue of the Placing Shares will not be subject to Shareholders' approval and the Placing Shares will be allotted and issued pursuant to the General Mandate granted to the Board by the Shareholders at the AGM.

Pursuant to the General Mandate, the Board is authorised to allot, issue and deal with additional Shares not exceeding 20% of the total number of issued Shares as at the date of the AGM. The total number of issued Shares as at the date of the AGM was 270,000,000 Shares. Accordingly, the maximum number of Shares that can be issued under the General Mandate is 54,000,000 Shares.

As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. Accordingly, the allotment and issue of the Placing Shares is fully covered by the remaining headroom under the General Mandate and does not require further Shareholders' approval.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately after Completion (assuming the maximum number of 54,000,000 Placing Shares are successfully placed and there is no other change in the issued share capital of the Company from the date of this announcement to the Completion Date) is set out below for illustrative purposes only:

Category of Shareholders	As at the date of this announcement		Immediately after Completion	
	<i>Number of Shares</i> ^(Note 1)	<i>Approx. %</i> ^(Note 2)	<i>Number of Shares</i>	<i>Approx. %</i>
<i>Non-public Shareholders</i>				
Brave Steed Legacy Limited ^(Note 3)	175,612,005	65.04	175,612,005	54.20
Blackpaper Limited and parties acting in concert with it ^(Note 4)	5,160,000	1.91	5,160,000	1.59
<i>Public Shareholders</i>				
Other Public Shareholders	89,227,995	33.05	89,227,995	27.54
The Placees (in aggregate) ^(Note 5)	—	—	54,000,000	16.67
Total	<u>270,000,000</u>	<u>100.00</u>	<u>324,000,000</u>	<u>100.00</u>

Notes:

- Based on the information available to the Company and the disclosure of interests notices filed under Part XV of the SFO as at the date of this announcement.
- The percentages in the table above have been rounded to two decimal places. Aggregate sums may vary slightly due to rounding adjustments.
- These 175,612,005 Shares are beneficially owned by Brave Steed Legacy Limited, a company wholly-owned by Dr. Ma Liyang, an executive Director.

4. On 25 January 2022, Blackpaper Limited transferred 6,750,000 shares in total (“**the said Shares**”) to Ms. Leung, Mr. Chui Cheung Lam, Mr. Yuen Kam Shing and Mr. Wong Kar Wai (collectively, the “**Staff**”). Pursuant to the deed of concert parties dated 25 January 2022 entered into among Blackpaper Limited, Mr. Iu Kar Ho, Mr. Luk Ka Chun and the Staff, each of the Staff has undertaken to act in concert with Blackpaper Limited, Mr. Iu Kar Ho and Mr. Luk Ka Chun as one party in casting votes on all matters of the Company so long as he/she remains interested in all or any of the said Shares.
5. It is a condition of the Placing that none of the Placees will become a substantial shareholder (as defined under the Listing Rules) of the Company immediately upon Completion.

REASONS FOR THE PLACING AND USE OF PROCEEDS

On the assumption that the Placing Shares are fully placed, the gross proceeds and net proceeds from the Placing are expected to be approximately HK\$231.1 million and approximately HK\$228.8 million, respectively. Based on the above estimated net proceeds, the net price per Placing Share will be approximately HK\$4.24.

The Company intends to apply the net proceeds as follows:

- (a) as to 60%, being approximately HK\$137.3 million, for establishment and growth of new environmental and sustainability businesses planned by the Company;
- (b) as to 20%, being approximately HK\$45.8 million, for product and service range expansion of the Group’s existing media business; and
- (c) as to 20%, being approximately HK\$45.8 million, for general working capital of the Group.

The Directors believe that the Placing will be conducive to strengthening the Company’s liquidity and financial position, broadening its Shareholder base, optimizing the capital structure of the Company and supporting the healthy and sustainable development of the Group.

The Directors consider that the terms of the Placing Agreement (including without limitation the Placing Price) are fair and reasonable, entered into on normal commercial terms after arm’s length negotiations, and are in the interests of the Company and the Shareholders as a whole.

FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company has not conducted any equity fund-raising activities in the twelve (12) months immediately preceding the date of this announcement.

APPLICATION FOR LISTING

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares on the Stock Exchange.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 19 August 2025.
“Articles of Association”	the memorandum and articles of association of the Company, as amended from time to time.
“Board”	the board of Directors of the Company.
“Business Day”	any day (excluding Saturdays, Sundays, public holidays and days on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours.
“Company”	Most Kwai Chung Limited (毛記葵涌有限公司), an exempted company incorporated under the laws of the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1716).
“Completion”	completion of the Placing in accordance with the terms and conditions set out in the Placing Agreement.
“Completion Date”	a day falling within five (5) Business Days after the date on which all conditions precedent are satisfied or waived (or such other date as the Company and the Sole Placing Agent may agree in writing).
“connected person(s)”	has the meaning ascribed to it under the Listing Rules.
“Director(s)”	the director(s) of the Company.
“General Mandate”	the general mandate granted to the Board at the AGM to allot, issue and deal with new Shares not exceeding 20% of the total number of issued Shares as at the date of the AGM (representing a maximum headroom of 54,000,000 Shares).
“Group”	the Company and its subsidiaries.
“Independent Third Party(ies)”	person(s) who is/are independent of and not connected with the Company and its connected persons.
“Last Trading Day”	6 July 2026, being the date of the Placing Agreement.

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
“Long Stop Date”	the date falling fourteen (14) days after the date of the Placing Agreement.
“Placee(s)”	professional, institutional or other investor(s) procured by or on behalf of the Sole Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agreement.
“Placing”	the conditional placing of up to 54,000,000 new Shares on a best effort basis pursuant to the terms and conditions of the Placing Agreement.
“Placing Agreement”	the placing agreement dated 6 July 2026 entered into between the Company and the Sole Placing Agent.
“Placing Price”	HK\$4.28 per Placing Share.
“Placing Shares”	up to 54,000,000 new Shares to be allotted and issued pursuant to the Placing Agreement.
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region and Taiwan.
“RMB”	Renminbi, the lawful currency of the PRC.
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).
“Share(s)”	shares in the capital of the Company with a nominal value of HK\$0.01 each listed on the Main Board of the Stock Exchange.
“Shareholder(s)”	holder(s) of Shares.
“Sole Placing Agent” or “Sole Overall Coordinator”	Maxa Asset Management Limited, a licensed corporation under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) to carry out Type 1 (dealing in securities), Type 4 (advising on securities) and Type 9 (asset management) regulated activities.
“Stock Exchange”	The Stock Exchange of Hong Kong Limited.
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules.

“HK\$” Hong Kong dollars, the lawful currency of Hong Kong.

“%” per cent.

By order of the Board of
MOST KWAI CHUNG LIMITED
毛記葵涌有限公司
Ma Liyang
Chairman and Executive Director

Hong Kong, 6 July 2026

As at the date of this announcement, the Board comprises Dr. Ma Liyang (Chairman) and Ms. Cheng Taohong, being the executive Directors; and Dr. Chen Yang, Dr. Yuan Yuan and Ms. Yuan Fan, being the independent non-executive Directors.