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Kafelaku Coffee Holding Limited

貓屎咖啡控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1869)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



元宇宙(國際)證券有限公司

Yuen Meta (International) Securities Limited

On 12 August 2026 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best efforts basis, up to 282,050,000 Placing Shares at the Placing Price of HK\$0.039 per Placing Share to not less than six Placee(s) who are individual, corporate, institutional investors or other professional investors that are third parties independent of the Company and its connected persons. The Placing Shares will be allotted and issued pursuant to the General Mandate.

Assuming there will be no change in the issued share capital of the Company between the date of this announcement and the date of completion of the Placing, the maximum number of 282,050,000 Placing Shares under the Placing represents (i) approximately 16.7% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 14.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares in full.

The Placing Price of HK\$0.039 per Placing Share represents (i) a discount of approximately 17.02% to the closing price of HK\$0.047 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 18.07% to the average closing price of HK\$0.048 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.

The estimated expenses of the Placing are approximately HK\$0.23 million, including the placing commission and other fees, costs, charges and expenses of the Placing. Assuming all the Placing Shares are successfully placed, the net Placing Price will be approximately HK\$0.038 per Placing Share.

Assuming that all the Placing Shares are fully placed, the estimated gross proceeds and net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing will amount to HK\$11.0 million and approximately HK\$10.77 million, respectively.

The Company intends to apply the net proceeds from the Placing for business operation and general working capital of the Group.

Given that completion of the Placing, which is subject to fulfillment of the Placing Condition, may or may not take place, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

THE PLACING

On 12 August 2026 (after trading hours), the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Company has conditionally agreed to place, through the Placing Agent on a best effort basis, up to 282,050,000 Placing Shares at the Placing Price of HK\$0.039 per Placing Share.

THE PLACING AGREEMENT

The principal terms of the Placing Agreement are set out below:

Date

12 August 2026 (after trading hours)

Parties

Issuer: the Company

Placing Agent: Yuen Meta (International) Securities Limited

The Placing Agent is a company incorporated in Hong Kong with limited liability and a licensed corporation by the SFC to carry out and conduct type 1 (dealing in securities) regulated activities under and pursuant to the SFO.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

Placing

The Placing Agent has conditionally agreed to procure, as agent of the Company, the placing to not less than six Placee(s) who are individual, corporate, institutional investors or other professional investors that are third parties independent of the Company and its connected persons, for up to 282,050,000 Placing Shares at the Placing Price of HK\$0.039 per Placing Share on a best effort basis. It is expected that none of the Placees nor their associates will become a substantial shareholder of the Company immediately upon the completion of the Placing. The Placing Agent will receive a placing commission of 1.5% of the aggregate amount equal to the Placing Price multiplied by the actual number of Placing Shares placed by the Placing Agent (i.e. the gross proceeds from the Placing). The placing commission payable to the Placing Agent under the Placing Agreement is arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market commission rate for similar transactions. The Directors are of the view that the placing commission is fair and reasonable.

Number of Placing Shares

Assuming there will be no change in the issued share capital of the Company between the date of this announcement and the date of completion of the Placing, the maximum number of 282,050,000 Placing Shares under the Placing represents (i) approximately 16.7% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 14.3% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares in full. The maximum aggregate nominal value of the Placing Shares under the Placing will be HK\$2,820,500.

Placing Price

The Placing Price of HK\$0.039 per Placing Share represents:

- (i) a discount of approximately 17.02% to the closing price of HK\$0.047 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 18.07% to the average closing price of HK\$0.048 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding to the date of the Placing Agreement.

The Placing Price was determined on an arm's length basis between the Company and the Placing Agent and with reference to the recent market price of the Shares and the prevailing market conditions. The Directors consider that the Placing Price is fair and reasonable based on the current market conditions.

The estimated expenses of the Placing are approximately HK\$0.23 million, including the placing commission and other fees, costs, charges and expenses of the Placing. Assuming all the Placing Shares are successfully placed, the net Placing Price will be approximately HK\$0.038 per Placing Share.

Conditions of the Placing

Completion of the Placing Agreement is conditional upon:

- (i) the Listing Committee of the Stock Exchange agreeing to grant a listing of and permission to deal in the Placing Shares (either unconditionally or subject to conditions which are acceptable to the Company and the Placing Agent); and
- (ii) no representation, warranty or undertaking under the Placing Agreement having been breached in any material respect by the Company or is otherwise rendered inaccurate, untrue or misleading in any material respect, in each case on or prior to the Completion Date ((i) and (ii) together, the “**Placing Conditions**”).

If the Placing Conditions are not fulfilled on or before the Long Stop Date, the Placing will lapse and all rights, obligations and liabilities of the parties under the Placing Agreement in relation to the Placing shall cease and determine and neither of the parties shall have any claim against the others in respect of the Placing save for any antecedent breach and/or any rights or obligations which may accrue under Placing Agreement prior to such termination. None of the Placing Condition may be waived by any party.

Completion of the Placing

Completion of the Placing will take place within five Business Days following the satisfaction of the Placing Conditions (or such other date as the Company and the Placing Agent may agree in writing) (the “**Completion Date**”).

Termination of the Placing Agreement

The Placing Agent may after consultation with the Company (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the Completion Date provided that such notice is received prior to 11:00 a.m. on the day immediately preceding the Placing Completion Date, rescind this Agreement without liability to the other parties:

- (a) any material breach of, or any event rendering untrue or incorrect in any material respect, any of the representations and warranties of the Company contained in the Placing Agreement or any failure to perform any of the Company’s undertakings in the Placing Agreement;

- (b) any new law, rule or regulation or any change in existing laws (including common law), rules or regulations (or the juridical interpretation thereof) or other occurrence of any nature whatsoever which, in the reasonable opinion of the Placing Agent, are or may be materially adverse to the business or financial position of the Group taken as a whole or otherwise makes it inexpedient or inadvisable to proceed with the Placing;
- (c) any change, or development (regardless of whether permanent or not) involving a prospective change, in or affecting, the business, management, general affairs, assets and/or liabilities, prospects, shareholders' equity, results of operations or position, financial or otherwise, of the Company or the Group as a whole, regardless of whether or not arising in the ordinary course of business; or
- (d) any suspension of dealings in the Shares for any period of five (5) consecutive trading days or more except for suspension relating to any transaction under the Placing Agreement,

APPLICATION FOR LISTING

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS

The Group is primarily engaged in providing food and beverage services in Hong Kong and the PRC, and is currently developing coffee business.

Assuming that all the Placing Shares are fully placed, the estimated gross proceeds and net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing will amount to approximately HK\$11.0 million and approximately HK\$10.77 million, respectively. Assuming the Placing Shares are fully placed, the net placing price will be approximately HK\$0.038 per Placing Share. The Company intends to use such net proceeds from the Placing for business operation and general working capital of the Group, among others, staff costs, office rental, and general administrative and operating expenses.

In addition, as at the date of this announcement, the Group had approximately HK\$2.2 million bank and cash balances for all due payables and covering approximately less than two months' daily operating expenses usage.

The Directors are of the view that the Placing will (i) strengthen the Group's financial position, (ii) equip the Group with enhanced financial capability and flexibility for the business development, and (iii) broaden the Company's shareholder base.

The Directors consider that the terms of the Placing Agreement are fair and reasonable and the Placing is in the interests of the Company and the Shareholders as a whole.

GENERAL MANDATE

The Placing is not subject to the Shareholders' approval as the Placing Shares will be allotted and issued under the General Mandate. Pursuant to the General Mandate, the Directors were authorised to allot and issue up to 282,050,000 Shares, representing 16.7% of the number of Shares in issue on the date of passing such resolution. As at the date of this announcement, no Shares have been issued under the General Mandate and the total number of new Shares that can be allotted and issued under the General Mandate is therefore 282,050,000 Shares. The General Mandate is sufficient for the allotment and issue of the Placing Shares.

RANKING OF PLACING SHARES

The Placing Shares, when allotted and issued, will be free from all encumbrances and rank *pari passu* in all respects with the existing Shares in issue on the date of allotment and issue of the Placing Shares.

FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS

On 14 July 2026, the Company announced the completion of the placing of 282,050,000 Shares at the price of HK\$0.076 per Share. That placing represented (i) 20% of the issued share capital of the Company immediately before the completion of that placing; and (ii) approximately 16.7% of the issued share capital of the Company as enlarged by the allotment and issue of Shares immediately upon the completion of that placing. The Company intended to use the net proceeds from the placing to improve the Group's financial position by reducing liabilities, and for business operation and general working capital of the Group, among others, staff costs, office rental, and general administrative and operating expenses. As at the date of this announcement, such net proceeds have been utilised as intended to the extent of the available amount, with a balance of HK\$2.2 million remaining from the working capital proceeds.

CHANGES IN SHAREHOLDING STRUCTURE OF THE COMPANY

Assuming all the Placing Shares are placed, set out below are the shareholding structures of the Company (i) as at the date of this announcement; and (ii) immediately upon completion of the Placing (assuming that there will be no other change in the issued share capital of the Company since the date of this announcement up to the date of completion of the Placing) respectively:

	Shareholding as at the date of this announcement		Shareholding immediately upon completion of the Placing	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Mr. Zhang Wei	223,993,860	13.20%	223,993,860	11.35%
Eastern Pearl Capital Fund SPC – EP Neutron Fund SP	255,000,000	15.06%	255,000,000	12.92%
The Placees	–	–	282,050,000	14.29%
Other public Shareholders	<u>1,213,306,140</u>	<u>71.74%</u>	<u>1,213,306,140</u>	<u>61.44%</u>
Total	<u><u>1,692,300,000</u></u>	<u><u>100.00%</u></u>	<u><u>1,974,350,000</u></u>	<u><u>100.00%</u></u>

Notes:

- For illustration purposes only. It is expected that none of the Placees will become a substantial Shareholder upon completion of the Placing.

Given that completion of the Placing, which is subject to fulfillment of the Placing Condition, may or may not take place, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 24 June 2026
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors

“Business Day(s)”	any day (excluding Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Company”	Kafelaku Coffee Holding 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
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	director(s) of the Company
“General Mandate”	the general mandate granted to the Directors to allot, issue and deal with not more than 282,050,000 new Shares by the Shareholders at the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Committee”	has the meaning ascribed thereto in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	2 September 2026 or such later date as the parties to the Placing Agreement may agree in writing
“Placee(s)”	any individual, corporate, institutional investors or other professional investors that are third parties independent of the Company and its connected persons to be procured by or through the Placing Agent for the subscription of any of the Placing Shares on a best effort basis pursuant to and in accordance with the Placing Agreement
“Placing”	the placing of the Placing Shares by the Placing Agent on a best effort basis pursuant to the terms and conditions of the Placing Agreement
“Placing Agent”	Yuen Meta (International) Securities Limited, a licensed corporation by the SFC to carry out and conduct type 1 (dealing in securities) regulated activities under and pursuant to the SFO

“Placing Agreement”	the conditional placing agreement dated 12 August 2026 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	HK\$0.039 per Placing Share
“Placing Share(s)”	means up to 282,050,000 new Shares to be placed by or through the Placing Agent as agent for the Company under the Placing Agreement
“PRC”	the People’s Republic of China
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“%”	per cent.

By order of the Board
Kafelaku Coffee Holding Limited
Szeto Huen Sum Hannah
Chairman

Hong Kong, 12 August 2026

As at the date of this announcement, the Board comprises Ms. Szeto Huen Sum Hannah (chairman), Mr. Cui Zifeng (chief executive officer), Mr. Ma Xiaoping and Ms. Ou Shu as executive Directors; Ms. Fung Wai Sim as non-executive Director; and Mr. Yang Chao and Mr. Huang Shan and Ms. Zhao Yuanyuan as independent non-executive Directors.