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KWAN ON HOLDINGS

均安控股

KWAN ON HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1559)

SUPPLEMENTAL ANNOUNCEMENT SUBSCRIPTION OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of Kwan On Holdings Limited (the “**Company**”) dated 3 June 2019 (the “**Announcement**”) in relation to the subscription of 220,000,000 Subscription Shares under the General Mandate. Unless otherwise defined in this announcement, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

As disclosed in the Announcement, the aggregate net proceeds of the Subscription will be used to improve the Company’s liquidity and to meet the requirements of the Company business operations and overseas development under Belt and Road Initiatives. The Board would like to provide further information and breakdown in relation to the use of aggregate net proceeds of the Subscription.

It is disclosed in the Announcement that the aggregate net proceeds of the Subscription, after the deduction of related expenses, will be approximately HK\$105.4 million, which is intended to be used as follow: (i) as to approximately 70% (representing approximately HK\$73.8 million) shall be used for principal construction business to implement the Group’s already signed contracts; (ii) as to approximately 20% (representing approximately HK\$21.1 million) shall be used for development and expansion of potential overseas markets, such as undergoing market research, project feasibility research, promotion and project funds so as to achieve market diversification as disclosed in the interim results announcement of the Company dated 26 November 2018; and (iii) the remaining of approximately 10% (representing approximately HK\$10.5 million) shall be used as the Group’s general working capital.

By order of the Board
Kwan On Holdings Limited
Chen Zhenghua
Chairman

Hong Kong, 4 June 2019

As at the date of this announcement, the executive Directors are Mr. Chen Zhenghua, Mr. Zhang Fangbing, Mr. Wong Wa, and Mr. Cao Lei; and the independent non-executive Directors are Professor Lam Sing Kwong, Simon, Mr. Lum Pak Sum and Mr. Gong Zhenzhi.

This announcement will remain on the “Latest Listed Company Information” page of the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk for 7 days from the date of its posting. This announcement will also be posted on the Company’s website at www.kwanonconstruction.com.