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Khoon Group Limited
坤集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 924)

INSIDE INFORMATION
PLACING OF EXISTING SHARES BY CONTROLLING SHAREHOLDER

Sole Placing Agent



This announcement is made by Khoon Group Limited (the “**Company**”) pursuant to Rule 13.09(2) (a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

PLACING AGREEMENT

The board (the “**Board**”) of directors (the “**Directors**”) of the Company was informed by Lead Development Investment Limited (the “**Vendor**”), a company incorporated in the British Virgin Islands with liability limited by shares on 4 July 2018 which is the controlling shareholder (as defined in the Listing Rules) of the Company and is legally and beneficially owned as to 87.27% by Mr. Ang Jui Khoon and 12.73% by Mr. Ang Kok Kwang (Hong Guoguang), both the executive Directors of the Company, that it has entered into a placing agreement (the “**Placing Agreement**”) on 11 March 2020 (after trading hours) with China Tonghai Securities Limited (the “**Placing Agent**”) pursuant to which the Placing Agent has agreed to procure investors (the “**Placees**”) on a best-effort basis to purchase up to 200,000,000 existing shares of the Company (the “**Placing Shares**”) held by the Vendor at a price not lower than HK\$0.265 each (the “**Placing**”). The period of the Placing shall begin from the date of the Placing Agreement (the “**Adoption Date**”) and end upon the expiry of the period of five business days after the Adoption Date, or such later date as the Placing Agent and the Vendor may agree in writing, unless terminated earlier pursuant to the terms of the Placing Agreement.

The Placing Shares will be sold free from any liens, charges, encumbrances or third party rights, and together with all rights attaching to them as of the Adoption Date, and the Placing Shares rank *pari passu* in all respects with the shares of the Company (the “**Shares**”) in issue as of the Adoption Date. The Placees will receive all dividends and distributions declared, made or paid on and after the Adoption Date.

Pursuant to the Placing Agreement, the Placing Agent represents, warrants and undertakes that the Placees procured by it for the Placing Shares and their ultimate beneficial owners (if any) will be third parties independent of, and not acting in concert with, any of the Vendor, the directors, chief executive or substantial shareholders of the Vendor, the Company or its subsidiaries or any of its or their respective associates (as defined in the Listing Rules) and any persons acting in concert with it/them, and will not become connected persons (as defined in the Listing Rules) of the Company upon completion of the Placing.

SHAREHOLDING AFTER THE PLACING

As at the date of this announcement, (i) the 200,000,000 Placing Shares represent 20% of the existing issued share capital of the Company; and (ii) the Vendor holds 750,000,000 Shares, representing 75% of the existing issued share capital of the Company. Upon completion of the Placing and assuming that all of the Placing Shares are placed to the Placees and that there is no change in the issued share capital of the Company from the date of this announcement to the completion of the Placing, (i) the number of Shares held by the Vendor will decrease to 550,000,000 Shares, representing a decrease of its shareholding to 55% of the total issued share capital of the Company; and (ii) the Vendor will remain a controlling shareholder (as defined in the Listing Rules) of the Company.

The Company does not expect that the Placing of existing Shares by the Vendor will have any adverse effect on the operations of the Company and its subsidiaries.

As the Placing may or may not proceed, shareholders of the Company and potential investors of the Company are advised to exercise caution when dealing in the Shares.

By Order of the Board
Khoon Group Limited
Ang Jui Khoon
Chairman and Executive Director

Hong Kong, 11 March 2020

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Ang Jui Khoon, Mr. Ang Kok Kwang (Hong Guoguang) and Mr. Ang Yong Kwang (Hong Yongquan); and three independent non-executive Directors, namely Ms. Tan Pei Fung, Mr. Yeo Kwang Maccann and Mr. Hon Chin Kheong (Han Zhenqiang).