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Kwong Luen Engineering Holdings Limited

廣聯工程控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 1413)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent

漢華證券

Evergreen Securities Limited

Evergreen Securities Limited

Reference is made to the announcement of Kwong Luen Engineering Holdings Limited (the “**Company**”) dated 26 July 2024 (the “**Announcement**”) in relation to the placing of up to 200,000,000 Placing Shares under the General Mandate. Unless otherwise defined, capitalised terms used herein have the same meanings as defined in the Announcement.

On 29 July 2024, the Company and the Placing Agent entered into a supplemental agreement to the Placing Agreement (the “**Supplemental Agreement**”) to the effect that the Placing Price be adjusted from HK\$0.180 to HK\$0.185 (the “**Adjusted Placing Price**”).

Save and except for the aforesaid changes, all the terms and conditions of the Placing Agreement remain unchanged and continue in full force and effect.

The Adjusted Placing Price of HK\$0.185 is/represents:

- (i) A premium of approximately 24.16% to the closing price of HK\$0.149 as quoted on the Stock Exchange on the date of this announcement; and
- (ii) A premium of approximately 11.71% to the average closing price of HK\$0.1656 per Share as quoted on the Stock Exchange for the five trading days immediately preceding the date of this announcement.

The Adjusted Placing Price was determined with reference to adjusted placing price in the Company's previous attempt in conducting placing of new Shares earlier this year which was subsequently lapsed, the prevailing market prices and the recent trading volume of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors (including the independent non-executive Directors), after taking into account the Adjusted Placing Price, consider that the terms of the Placing Agreement (as supplemented by the Supplemental Agreement thereto) are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

The net issue price per Placing Share (after deduction of the placing commission, professional fees and all and related expenses) is approximately HK\$0.178, assuming that the Placing is completed in full.

Assuming that all the 200,000,000 Placing Shares are successfully placed by the Placing Agent, the adjusted maximum gross proceeds from the Placing will be approximately HK\$37.0 million, and the maximum net proceeds, after deducting the placing commission and other expenses of the Placing, from the Placing are estimated to be approximately HK\$35.6 million. The Directors intend to use the net proceeds from the Placing as the general working capital of the Group.

By order of the Board
Kwong Luen Engineering Holdings Limited
LIN Rida
Chairman and Executive Director

Hong Kong, 29 July 2024

As at the date of this announcement, the executive directors are Mr. LIN Rida, Mr. YIP Kwong Cheung, Mr. BU Lei and Ms. LUO Tingting; and the independent non-executive directors are Ms. LAI Pik Chi Peggy, Mr. WONG Kwok On and Mr. TANG Man Joe.