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## **King's Stone Holdings Group Limited**

**金石控股集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1943)**

### **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

#### *Placing Agents*



**PineStone 鼎石**

#### **THE PLACING**

The Board is pleased to announce that on 5 September 2025 (after trading hours), the Company and the Placing Agents entered into the Placing Agreement, pursuant to which the Placing Agents have conditionally and severally agreed to act as the placing agents of the Company for the purpose of procuring, on a best effort basis, the Placing of a maximum of 150,000,000 Placing Shares to not less than six Placees who and whose ultimate beneficial owners (if applicable) are Independent Third Parties at the Placing Price of HK\$0.617 per Placing Share.

Assuming there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date, the maximum number of 150,000,000 Placing Shares under the Placing Agreement represents: (a) 15.00% of the total number of Shares in issue as at the date of this announcement; and (b) approximately 13.04% 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\$0.617 per Placing Share represents: (i) a discount of approximately 19.87% to the closing price of HK\$0.77 per Share as quoted on the Stock Exchange on 5 September 2025, being the date of the Placing Agreement; and (ii) a discount of approximately 9.80% to the average closing price of HK\$0.684 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Placing Agreement. Assuming that all the Placing Shares are fully placed, the gross proceeds from the Placing will be HK\$92.55 million and the net proceeds (after deduction of placing commission and other expenses of the Placing) from the Placing are estimated to be approximately HK\$91.02 million, representing a net placing price of approximately HK\$0.607 per Placing Share. The Group intends to apply (i) approximately HK\$67.00 million, equivalent to approximately 73.61% of the net proceeds from the Placing for developing user-side industrial and commercial energy storage power station operations and upgrading industries in new construction industrial parks; and (ii) approximately HK\$24.02 million, equivalent to approximately 26.39% of the net proceeds from the Placing for the enrichment of general working capital including repayment of shareholder's loans and payment of outstanding expenses, salaries and allowance, professional fees, rental and management fees, and other expenses and reserves.

#### **GENERAL**

The Placing Shares will be allotted and issued pursuant to the General Mandate.

Application will be made by the Company to the Listing Committee for the grant of the approval for the listing of, and permission to deal in, the Placing Shares.

**Completion of the transactions contemplated under the Placing Agreement is subject to the Placing Agreement not being terminated in accordance with the terms thereof, and is subject to the satisfaction of conditions precedent under the Placing Agreement. As the Placing may or may not proceed to completion, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

#### **PLACING OF NEW SHARES UNDER GENERAL MANDATE**

The Board is pleased to announce that on 5 September 2025 (after trading hours), the Company and the Placing Agents entered into the Placing Agreement, pursuant to which the Placing Agents have conditionally and severally agreed to act as the placing agents of the Company for the purpose of procuring, on a best effort basis, the Placing of a maximum of 150,000,000 Placing Shares to not less than six Placees who and whose ultimate beneficial owners (if applicable) are Independent Third Parties at the Placing Price of HK\$0.617 per Placing Share. The principal terms of the Placing Agreement are summarised below:

#### **Date**

5 September 2025 (after trading hours)

**Parties**

- (1) the Company; and
- (2) the Placing Agents.

**Placing Agents**

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Placing Agents and its ultimate beneficial owner(s) is an Independent Third Party as at the date of this announcement.

**Placing commission**

The Placing Agents will charge the Company a placing commission of 1% of the aggregate amount equal to the Placing Price multiplied by the number of the Placing Shares being placed by the Placing Agents. The placing commission payable to the Placing Agents under the Placing Agreement was negotiated on arm's length basis among the Company and the Placing Agents under normal commercial terms and with reference to the prevailing commission rate for similar transactions, the size of the Placing and the price performance of the Shares.

**Placees**

The Placing Agents will, on a best effort basis, place the Placing Shares to not less than six Placees who and whose ultimate beneficial owner(s) (if applicable) shall be Independent Third Parties. Upon Completion, it is expected that none of the Placees will become a substantial shareholder of the Company.

**Number of Placing Shares**

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement up to Completion, the maximum number of 150,000,000 Placing Shares under the Placing represents (i) 15.00% of the existing issued share capital of the Company of 1,000,000,000 Shares as at the date of this announcement; and (ii) approximately 13.04% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares in full. The aggregate nominal value of the maximum number of Placing Shares under the Placing will be HK\$1,500,000.

**Ranking of Placing Shares**

The Placing Shares will, on allotment and issue, rank *pari passu* in all respects with other existing Shares then in issue free and clear of any pledges, liens, charges and encumbrances, equities, security interests or other claims, and together with all rights attaching to them as at the date of issue of the Placing Shares, including the right to receive all dividends and other distributions declared, made or paid on the record date of which falls on or after the date of issue of the Placing Shares.

## **Placing Price**

The Placing Price of HK\$0.617 represents:

- (1) a discount of approximately 19.87% to the closing price of HK\$0.77 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (2) a discount of approximately 9.80% to the average closing price of approximately HK\$0.684 per Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to the date of the Placing Agreement.

The Placing Price of the Placing was determined with reference to the prevailing market prices of the Shares, the recent trading performance of the Shares and the nominal value of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agents. The Directors consider that the Placing Price is determined on normal commercial terms and are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

## **General Mandate to allot and issue of the Placing Shares**

The Placing Shares will be allotted and issued under the General Mandate granted to the Directors by resolution of the Shareholders passed at the AGM subject to the limit of up to 20% of the then number of issued Shares (excluding treasury shares, if any) as at the date of the AGM. Under the General Mandate, the Company is authorised to issue up to 200,000,000 Shares. As at the date of this announcement, no Shares have been issued under the General Mandate. Therefore, the Placing will not be subject to any further Shareholders' approval.

## **Application for listing of Placing Shares**

Application will be made by the Company to the Listing Committee for the grant of the listing of, and permission to deal in, the Placing Shares.

## **Conditions of the Placing**

Completion of the Placing is conditional upon fulfilment of the following conditions: (i) the Listing Committee granting the approval for the listing of, and the permission to deal in, the Placing Shares; and (ii) all necessary consents and approvals to be obtained on the part of each of the Placing Agents and the Company in respect of the Placing Agreement and the transactions contemplated hereunder having been obtained.

In the event any of the conditions above is not fulfilled on or before 19 September 2025 (or such other date as may be agreed among the parties to the Placing Agreement in writing), all rights, obligations and liabilities of the parties to the Placing Agreement shall cease and terminate and no party shall have any claim against the other parties save for any antecedent breach under the Placing Agreement prior to such termination.

### **Completion of the Placing**

Completion of the Placing will take place within four (4) Business Days after the day on which all the conditions set out in the section headed “Conditions of the Placing” of this announcement have been fulfilled (or such other date as may be agreed between the Company and the Placing Agents in writing and in compliance with the Listing Rules).

### **Lock-up restriction for Placees**

The Placing Agents shall procure that, as a condition to being allotted any Placing Shares, each Placee delivers to the Placing Agents and the Company, in writing, its agreement and undertaking to the Company and the Placing Agents that, except with the prior written consent of the Company and the Placing Agents, it/he/she will not, and will procure that none of its/his/her nominees or affiliates or any person acting on its/his/her behalf will, directly or indirectly, during the period commencing on (and including) the Completion Date and ending on (and including) the date falling six (6) months after the Completion Date:

- (i) offer, sell, contract to sell, pledge, grant any option, right or warrant to purchase, lend, assign, transfer or otherwise dispose of (including, without limitation, by way of gift, swap, hedge or otherwise), or agree to do any of the foregoing, any Placing Shares or any interest therein, whether directly or indirectly;
- (ii) enter into any transaction (including any short sale or derivative transaction) which is designed to, or might reasonably be expected to, result in the transfer or disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) of any Placing Shares or any economic interest therein; or
- (iii) publicly announce or otherwise make known an intention to do any of the foregoing.

The Placing Agents shall provide to the Company evidence reasonably satisfactory to the Company that each Placee has delivered such lock-up undertaking prior to the allotment and issue of any Placing Shares to such Placee.

## **Termination**

The Placing Agents may terminate the Placing Agreement without any liability to the Company save for antecedent breach under the Placing Agreement prior to such termination, by notice in writing given to the Company at any time prior to 8:00 a.m. on the Completion Date upon the occurrence of the following events which, in the reasonable opinion of the Placing Agents, has or may have a material adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or the success of the Placing or the full placement of all of the Placing Shares or has or may otherwise make it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in the Placing Agreement if there develops, occurs or comes into force:

- (i) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date of the Placing Agreement) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or which may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agents' absolute opinion would adversely affect the success of the Placing; or
- (ii) the imposition of any moratorium, suspension (for more than seven (7) trading days) or restriction on trading in the securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agents' reasonable opinion, would adversely affect the success of the Placing; or
- (iii) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agents' reasonable opinion any such new law or change may adversely affect the business or financial prospects of the Group and/or the success of the Placing; or
- (iv) any litigation or claim being instigated against any member of the Group, which has or may have an adverse effect on the business or financial position of the Group and which in the Placing Agents' reasonable opinion would adversely affect the success of the Placing; or
- (v) any material adverse change in the business or in the financial or trading position or prospects of the Group as a whole; or

- (vi) any breach of any of the representations and warranties of the Company set out in the Placing Agreement comes to the knowledge of the Placing Agents or any event occurs or any matter arises on or after the date of the Placing Agreement and prior to the Completion Date which if had occurred or arisen before the date of the Placing Agreement would have rendered any of such representations and warranties untrue or incorrect or there has been a breach by the Company of any other provision of the Placing Agreement; or
- (vii) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agents would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

If notice is given pursuant to this section, the Placing Agreement shall terminate and be of no further effect and no party shall be under any liability to the other parties in respect of the Placing Agreement save for any antecedent breach under the Placing Agreement prior to such termination.

#### **REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS**

The Company is an investment holding company. The Group is principally engaged in providing construction services including traditional formwork using timber and plywood, system formwork using aluminium and steel, and ancillary works such as concrete works and reinforcement works for the public and private sectors in Hong Kong.

As disclosed in the 2025 annual report of the Company published on 31 July 2025, in order to further consolidate and expand the Group's comprehensive competitive advantage in the construction industry and make good use of the resources in the field of electronic components and smart infrastructure brought by our controlling shareholder, the Company will actively promote the integration of its main construction business with intelligent, green and low-carbon technologies. The Group intends to use approximately HK\$67.00 million of the proceeds from the Placing to develop user-side industrial and commercial energy storage power station operations and upgrade industries in new construction industrial parks, so as to further enhance the energy conservation and consumption reduction and intelligent management capabilities of construction projects of the Group.

The aforementioned business represents an extension of the Company's core construction business chain, demonstrating strong synergy with our technological expertise and project experience in Hong Kong's construction and related engineering services sector. The Company will concentrate on intelligent energy storage, energy efficiency optimisation, and smart campus applications for energy consumption in construction projects. Leveraging our capabilities in independent R&D and system integration, we aim to provide integrated solutions for industrial parks, data centers, smart buildings, and other facilities, thereby enhancing project value-added and market competitiveness.



In terms of business model, the Company will adopt an integrated service approach of “Invest-Build-Operate”, taking the lead in core equipment investment and project construction while assuming responsibility for subsequent operations and management. For energy storage power station operations, the Company will deploy proprietary core equipment and leverage intelligent Energy Management Systems (EMS) to enable remote monitoring and smart maintenance. This enables clients to reduce energy costs, enhance efficiency, and participate in revenue-sharing arrangements. Looking ahead, the Company will also expand into value-added services such as virtual power plants and demand response programs, creating sustainable smart energy ecosystems.

In the upgrading of new construction industrial parks, the Company will promote standardised and modular design while integrating smart devices with IoT technology. This approach enables efficient park development and intelligent operations, enhances energy efficiency and comprehensive management standards, and reinforces the Company’s market leadership in high-end industrial parks and smart building sectors.

The Company will remain anchored in its core construction business while leveraging synergies across the industrial chain. By actively integrating advanced electronic components and smart technologies – including Internet of Things (IoT) systems, drone-based security solutions, and smart energy management – we aim to drive digital, intelligent, and low-carbon transformation of our main construction business. This will enable us to expand into emerging infrastructure markets, including smart buildings and high-end industrial parks.

This industrial expansion will further solidify the Company’s position in the construction industry, enhance the quality and long-term profitability of the Group’s operations, and align with our overall strategic development direction.

Assuming that all the Placing Shares are fully placed, the gross proceeds from the Placing will be HK\$92.55 million and the net proceeds (after deduction of placing commission and other expenses of the Placing) from the Placing are estimated to be approximately HK\$91.02 million, representing a net placing price of approximately HK\$0.607 per Placing Share. The Group intends to apply (i) approximately HK\$67.00 million, equivalent to approximately 73.61% of the net proceeds from the Placing for developing user-side industrial and commercial energy storage power station operations and upgrading industries in new construction industrial parks, comprising research and development of products of HK\$9 million, procurement of equipment of HK\$50 million, business promotion of HK\$2 million and staff recruitment of HK\$6 million; and (ii) approximately HK\$24.02 million, equivalent to approximately 26.39% of the net proceeds from the Placing for the enrichment of general working capital, comprising repayment of shareholder’s loans and payment of outstanding expenses of HK\$2.78 million, salaries and allowance of HK\$5.16 million, professional fees of HK\$5.86 million, rental and management fees of HK\$1.08 million, and other expenses and reserves of HK\$9.14 million.

The Directors consider that the Placing will also provide an opportunity to raise further capital for the Company whilst broadening the shareholder base and the capital base of the Company.



The Directors consider that the Placing Agreement is entered into upon normal commercial terms following arm's length negotiations between the Company and the Placing Agents and the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

The Company did not conduct any equity fund raising activity in the past twelve months immediately preceding the date of this announcement.

## EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon Completion (assuming the maximum number of Placing Shares are placed and there is no change in the share capital of the Company from the date of this announcement up to the Completion) is set out as below:

Name of Shareholder	As at the date of this announcement		Immediately upon Completion <sup>(Note 1)</sup>	
	<i>Approximate % of number of</i>		<i>Approximate % of number of</i>	
	<i>No. Shares</i>	<i>Shares in issue</i>	<i>No. of Shares</i>	<i>Shares in issue</i>
Ms. Zeng <sup>(Note 2)</sup>	750,000,000	75.00	750,000,000	65.22
The Placees	–	–	150,000,000	13.04
Public Shareholders	250,000,000	25.00	250,000,000	21.74
<b>Total</b>	<b>1,000,000,000</b>	<b>100</b>	<b>1,150,000,000</b>	<b>100</b>

Notes:

1. Assuming there is no change in total issued share capital of the Company other than the Placing.
2. 750,000,000 Shares are directly held by Huayu Holdings Limited (“**Huayu Holdings**”). Such Shares are held by Huayu Holdings as a nominee of Jianeng Era International Trading Co., Limited (“**Jianeng Era**”). Huayu Holdings is directly owned as to 98% by Ms. Zeng who also owns 98% shareholdings of Jianeng Era. As such, Ms. Zeng is deemed to be interested in the shares held by Huayu Holdings.

## GENERAL

**Completion of the transactions contemplated under the Placing Agreement is subject to the Placing Agreement not being terminated in accordance with the terms thereof, and is subject to the satisfaction of conditions precedent under the Placing Agreement. As the Placing may or may not proceed to completion, 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 meanings set out below unless the context requires otherwise:

“AGM”	the annual general meeting of the Company held on 21 August 2024
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday or Sunday) on which commercial banking institutions in Hong Kong are generally open for transactions of normal banking business
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Company”	King’s Stone Holdings Group Limited, a company incorporated in the Cayman Islands as an exempted company with limited liability, the Share of which are listed and traded on the Main Board of the Stock Exchange
“Completion”	the completion of the Placing in accordance with the terms and conditions as set out in the Placing Agreement
“Completion Date”	a date falling on the Business Day after the day on which all the conditions set out in the section headed “Conditions of the Placing” of this announcement have been fulfilled (or such other date as may be agreed between the Company and the Placing Agents in writing and in compliance with the Listing Rules)
“connected person”	has the meaning ascribed to it under the Listing Rules

“controlling Shareholder(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 Directors pursuant to the resolution passed by the Shareholders at the AGM to allot, issue and deal with up to 20% of the issued share capital of the Company (excluding treasury shares, if any) as at the date of the AGM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons
“Listing Committee”	the Listing Committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time
“Ms. Zeng”	Ms. Zeng Jingwen (曾靖雯), an executive Director and one of our controlling Shareholders
“Placee(s)”	any professional, institutional and/or other investor(s) procured by the Placing Agents or its agent(s) to subscribe for any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing, on a best effort basis, of up to 150,000,000 Placing Shares by the Placing Agents pursuant to the terms and conditions set out in the Placing Agreement
“Placing Agents”	Cheer Union Securities Limited and Pinestone Securities Limited
“Placing Agreement”	the placing agreement dated 5 September 2025 (after Trading hours) and entered into between the Company and the Placing Agents

“Placing Price”	HK\$0.617 per Placing Share (exclusive of all brokerage, if any), transaction levies of the Securities and Futures Commission and the Accounting and Financial Reporting Council and trading fees of the Stock Exchange)
“Placing Shares”	up to 150,000,000 new Shares to be placed under the Placing
“PRC”	the People’s Republic of China, and for the purposes of this announcement only and except where the context requires otherwise, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“SFC”	Securities and Futures Commission
“Share(s)”	ordinary share(s) in the share capital of the Company, currently of nominal value HK\$0.01 each
“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 under the Listing Rules
“Takeovers Code”	Hong Kong Code on Takeovers and Mergers
“%”	per cent

By order of the Board  
**King’s Stone Holdings Group Limited**  
**He Xin**  
*Chairman, Chief Executive Officer and  
Executive Director*

Hong Kong, 5 September 2025

*As at the date of this announcement, the Board comprises Mr. He Xin (Chairman and Chief Executive Officer), Ms. Zeng Jingwen, Mr. Chiu Sui Keung (Vice Chairman) and Ms. Cai Ruoxi as executive Directors, and Mr. Lam Williamson, Mr. Li, Sheung Him Michael and Mr. Yu Kuai as independent non-executive Directors.*