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CMON LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1792)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



Grand China Securities Limited

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 18 October 2025, the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis currently expected to be not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 361,200,000 Placing Shares at the Placing Price of HK\$0.018 per Placing Share.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum of 361,200,000 Placing Shares represent (i) 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.

The Placing Price of HK\$0.018 per Placing Share represents: (i) a discount of approximately 14.29% to the closing price of HK\$0.021 per Share as quoted on the Stock Exchange on 17 October 2025, being the latest trading immediately, before the date of the Placing Agreement; and (ii) a discount of approximately 12.62% to the average closing price of approximately HK\$0.0206 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 17 October 2025, being the trading day immediately prior to the date of the Placing Agreement.

The Placing Shares will be allotted and issued pursuant to the General Mandate and is not subject to further Shareholders' approval. An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be HK\$6,501,600, and the maximum net proceeds, after deduction of the placing commission, professional fees and all related expenses which may be borne by the Company, from the Placing are estimated to be approximately HK\$6.3 million. The Company intends to apply the net proceeds in full from the Placing for general working capital.

Shareholders and potential investors of the Company should note that completion of the Placing is subject to the fulfilment of the conditions set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.

PLACING OF NEW SHARES UNDER GENERAL MANDATE

On 18 October 2025, the Company entered into the Placing Agreement with the Placing Agent, pursuant to which the Placing Agent has conditionally agreed, as agent of the Company, to procure on a best effort basis currently expected to be not less than six Placees who and whose ultimate beneficial owners shall be Independent Third Parties to subscribe for up to 361,200,000 Placing Shares at the Placing Price of HK\$0.018 per Placing Share. Details of the Placing Agreement are set out below:

THE PLACING AGREEMENT

Date: 18 October 2025

Parties: (i) the Company, as issuer; and
(ii) Grand China Securities Limited, as Placing Agent.

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 Independent Third Parties as at the date of this announcement.

Pursuant to the terms of the Placing Agreement, the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, a maximum of 361,200,000 Placing Shares to not less than six Placees who and whose ultimate beneficial owners are third parties independent of the Company and its connected persons.

Placing Commission

Pursuant to the terms of the Placing Agreement, the Placing Agent will receive a placing commission of 3.0% of the amount which is equal to the Placing Price multiplied by the number of Placing Shares successfully placed by the Placing Agent. The placing commission in respect of the Placing was negotiated on arm's length basis between the Company and the Placing Agent and was determined with reference to, among other things, the prevailing commission rate charged by other placing agents and the price performance of the Shares.

The Directors consider that the placing commission in respect of the Placing are fair and reasonable based on the current market conditions.

Placees

The Placing Agent will, on a best effort basis, place the Placing Shares to currently expected to be not less than six Placees who and whose ultimate beneficial owner(s) (if applicable) shall be Independent Third Parties.

Placing Shares

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the completion of the Placing, the maximum of 361,200,000 Placing Shares represent (i) 20.00% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of all the Placing Shares.

The aggregate nominal value of the maximum of 361,200,000 Placing Shares is HK\$18,060.

Ranking of the Placing Shares

The Placing Shares, when allotted and issued, will rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Placing Shares.

Placing Price

The Placing Price of HK\$0.018 per Placing Share represents:

- (i) a discount of approximately 14.29% to the closing price of HK\$0.021 per Share as quoted on the Stock Exchange on 17 October 2025, being the latest trading day immediately before the date of the Placing Agreement; and
- (ii) a discount of approximately 12.62% to the average closing price of approximately HK\$0.0206 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 17 October 2025, being the trading day immediately prior to the date of the Placing Agreement.

The net Placing Price (after deducting the costs and expenses of the Placing) is approximately HK\$0.0175 per Placing Share.

The Placing Price was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market price and the recent trading performance of the Shares. The Directors consider that the Placing Price and the terms of the Placing Agreement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

Conditions of the Placing

The Placing is conditional upon the listing of, and permission to deal in, the Placing Shares being granted by the Stock Exchange on or before 12:00 noon on the Long Stop Date.

If such condition is not fulfilled on or prior to 12:00 noon on the Long Stop Date, the Placing Agreement shall terminate and none of the Company or the Placing Agent shall have any claim against the other for damages, compensation or otherwise, provided however that the Company shall remain liable for the payment of any costs, charges and expenses referred to in the Placing Agreement.

Completion of the Placing

Completion of the Placing shall take place three Business Days immediately following receipt of the listing approval granted by the Stock Exchange.

Application for listing

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Placing Shares.

General Mandate to issue the Placing Shares

The Placing Shares will be allotted and issued pursuant to the General Mandate. The maximum number of Shares that can be issued under the General Mandate is 361,200,000 Shares.

As at the date of this announcement, no Shares have been allotted and issued under the General Mandate. The General Mandate is sufficient for the allotment and issue of all the Placing Shares. As such, the issue of the Placing Shares is not subject to further Shareholders' approval. The General Mandate will be fully utilised upon the allotment and issue of all the Placing Shares.

Termination

The Placing Agent may terminate the Placing Agreement without any liability to the Company, save for antecedent breach under the Placing Agreement, by notice in writing given to the Company at any time prior to 12:00 noon on the date of completion of the Placing upon the occurrence of, amongst others, the following events:

- (i) there shall have been, since the date of the Placing Agreement, such a change in national or international financial, political or economic conditions or taxation or exchange controls as would, in the opinion of the Placing Agent, be likely to prejudice materially the consummation of the Placing; or
- (ii) any material breach of any of the representations and warranties set out in the Placing Agreement comes to the knowledge of the Placing Agent or any event occurs or any matter arises on or after the date hereof and prior to the date of completion of the Placing which if it had occurred or arisen before the date hereof would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provisions of the Placing Agreement; or
- (iii) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise.

then, and in any such case, the Placing Agent may terminate the Placing Agreement without liability to the Company by giving notice in writing to the Company, provided that such notice is received prior to 9:00 am. on the Placing Completion Date.

REASONS FOR AND BENEFITS OF THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in the design, development and sales of board games, miniature war games and other hobby products.

Assuming all the Placing Shares are fully placed, the gross proceeds from the Placing will be HK\$6,501,600, and the maximum net proceeds, after deduction of the placing commission, professional fees and all related expenses which may be borne by the Company, from the Placing are estimated to be approximately HK\$6.3 million. The Company intends to apply the net proceeds in full from the Placing for general working capital.

The Directors consider that the Placing represents an opportunity to raise additional funding for the business operations of the Group and will strengthen the Group's financial position, and enlarge shareholders' base of the Company which may in turn enhance the liquidity of the Shares, and provide working capital to the Group to meet any financial obligations of the Group without any interest burden, within a relatively shorter time frame and at lower costs when compared with other means of fundraising.

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 Agent and the terms of the Placing Agreement (including the Placing Price and the placing commission) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

CHANGES IN SHAREHOLDING STRUCTURE

The changes in the shareholding structure of the Company as a result of the Placing (assuming that there are no other changes in the issued share capital of the Company from the date of this announcement up to and immediately after completion of the Placing) are as follows:

	As at the date of this announcement		Immediately after completion of the Placing (assuming all the Placing Shares are fully placed)	
	Number of Shares	Approx. %	Number of Shares	Approx. %
Ng Chern Ann ⁽¹⁾ ("Mr. Ng")	450,624,039	24.95	450,624,039	20.79
David Doust ⁽²⁾ ("Mr. Doust")	276,574,424	15.31	276,574,424	12.76
Frederick Chua Oon Kian ⁽³⁾ ("Mr. Chua")	198,119,232	10.97	198,119,232	9.14
The Placees	—	—	361,200,000	16.67
Other public Shareholders	<u>880,682,305</u>	<u>48.76</u>	<u>880,682,305</u>	<u>40.64</u>
Total	<u><u>1,806,000,000</u></u>	<u><u>100.00</u></u>	<u><u>2,167,200,000</u></u>	<u><u>100.00</u></u>

Notes:

- (1) The issued share capital of Cangsome Limited ("CA SPV") is wholly-owned by Mr. Ng, an executive Director and the sole director of CA SPV. CA SPV is beneficially interested in 435,124,039 Shares whereas Mr. Ng is beneficially interested in 15,500,000 share options of the Company (the "Share Options").

- (2) The issued share capital of Dakkon Holdings Limited (“**DD SPV**”) is wholly-owned by Mr. Doust, an executive Director and the sole director of DD SPV. DD SPV is beneficially interested in 261,074,424 Shares whereas Mr. Doust is beneficially interested in 15,500,000 Share Options.
- (3) Magic Carpet Pre-IPO Fund (“**Magic Carpet**”) is a private equity investment fund managed by Quantum Asset Management Pte. Ltd. (“**Quantum Asset**”) on a discretionary basis. Quantum Asset holds the only issued ordinary share of Magic Carpet and the preference shares in the capital of Magic Carpet are held by investors. Mr. Chua, a non-executive Director, beneficially owns approximately 99.99% of the issued share capital of Quantum Asset and is therefore deemed to be interested in the Shares held by Quantum Asset by virtue of the SFO. Mr. Chua is a director of Magic Carpet and is beneficially interested in 5,580,000 Share Options.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company did not conduct any fundraising activities involving the issue of equity securities within the 12 months immediately prior to the date of this announcement.

Shareholders and potential investors of the Company should note that completion of the Placing is subject to the fulfilment of the conditions set out in the Placing Agreement. The Placing may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	any day (excluding Saturday and Sunday) on which commercial banks are generally open for business in Hong Kong
“Company”	CMON Limited, an exempted company incorporated under the laws of the Cayman Islands with limited liability, with its Shares listed on the main board of the Stock Exchange
“connected person”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company

“General Mandate”	the general mandate granted to the Directors pursuant to an ordinary resolution of the Company passed at the annual general meeting of the Company held on 26 June 2025 to allot, issue and deal with additional Shares (including any sale or transfer of treasury shares out of treasury) not exceeding 20% of the total number of the issued Shares (excluding any treasury shares) as at the date of passing of such resolution, pursuant to which a maximum of 361,200,000 new Shares may fall to be allotted and issued as at the date of this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) who/which is/are independent of, and not connected with, the Company and its connected persons
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any individual, institutional or other professional investor(s), procured by the Placing Agent or its sub-placing agent(s) to subscribe for any of the Placing Shares under the Placing Agreement
“Placing”	the offer by way of a private placing, of up to 361,200,000 Placing Shares procured by the Placing Agent to selected investors, on the terms but subject to the condition set out in the Placing Agreement
“Placing Agent”	Grand China Securities Limited, a corporation licensed to carry on type 1 (dealing in securities), type 2 (dealing in futures contracts), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO
“Placing Agreement”	the conditional placing agreement dated 18 October 2025 and entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	the price of not less than HK\$0.018 per Placing Share (exclusive of any brokerage, SFC transaction levy and the Stock Exchange trading fee as may be payable)
“Placing Shares”	up to 361,200,000 new Shares to be placed pursuant to the Placing Agreement

“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, modified and supplemented from time to time
“Share(s)”	ordinary share(s) with nominal value of HK\$0.00005 each in the share capital of the Company
“Shareholders”	the holders of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board
CMON Limited
Ng Chern Ann
Chairman, Joint Chief Executive Officer and Executive Director

Singapore, 19 October 2025

As at the date of this announcement, the executive Directors are Mr. Ng Chern Ann, Mr. David Doust and Mr. Koh Zheng Kai; the non-executive Directors are Mr. Frederick Chua Oon Kian and Ms. Li Xuejin; and the independent non-executive Directors are Mr. Wong Yu Shan Eugene, Mr. Choy Man and Mr. Leung Yuk Hung Paul.