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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)

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

Placing Agent

漢華證券

Evergreen Securities Limited

Evergreen Securities Limited

References are made to the announcement of Kwong Luen Engineering Holdings Limited (the “**Company**”) dated 10 April 2024 (the “**Announcement**”) in relation to the placing of up to 200,000,000 Placing Shares under the General Mandate (the “**Placing**”) and the supplemental announcement of the Company dated 24 April 2024 in relation to the Placing. Unless otherwise defined, capitalised terms used herein have the same meanings as defined in the Announcement.

On 14 May 2024, the Company and the Placing Agent entered into a second supplemental agreement to the Placing Agreement (the “**Supplemental Agreement**”) to the effect that:

The long stop date be extended from 14 May 2024 to 4 June 2024 (or such later date as may be agreed between the parties in writing).

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 Placing Price of HK\$0.185 is/represents:

- (i) A discount of approximately 19.91% of the closing price of HK\$0.231 as quoted on the Stock Exchange on the date of this announcement; and

- (ii) A discount of approximately 19.91% to the average closing price of HK\$0.231 per Share as quoted on the Stock Exchange for the five trading days immediately preceding the date of this announcement.

The Placing Price was determined with reference to 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 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 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, 14 May 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. CHENG Shing Yan, Mr. WONG Yiu Kit Ernest and Mr. TANG Man Joe.